

ENROLLED ORIGINAL

AN ACT  
D.C. ACT 15-186

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IN THE COUNCIL OF THE DISTRICT OF COLUMBIA  
OCTOBER 24, 2003

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*Codification  
District of  
Columbia  
Official Code*

2001 Edition

2004 Winter  
Supp.

West Group  
Publisher

To enable, on an emergency basis, the Mayor, or his designee, to administer grants from the Commercial Trust Fund once the Council has designated the funds to be spent for a particular project.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Authorization of the Spending of the Commercial Trust Fund Emergency Act of 2003".

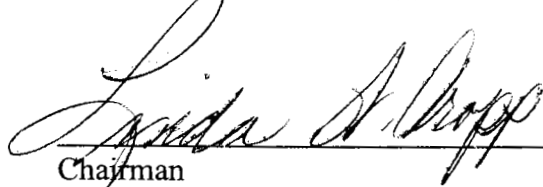
Sec. 2. The Mayor, or his designee, may make grants from the Commercial Trust Fund, which is located in the Deputy Mayor for Economic Development's budget, so long as the Council previously authorized and designated the use of those funds through the passage of the Deputy Mayor for Economic Development's budget process or other similar authorization.

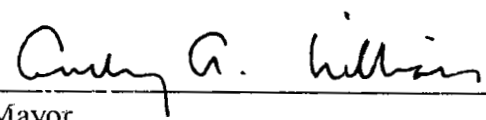
Sec. 3. The Council adopts the attached fiscal impact statement as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code §1-206.02(c)(3)).

Sec. 4. This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia

ENROLLED ORIGINAL

in section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

  
\_\_\_\_\_  
Chairman  
Council of the District of Columbia

  
\_\_\_\_\_  
Mayor  
District of Columbia  
APPROVED  
October 24, 2003

**COUNCIL OF THE DISTRICT OF COLUMBIA**  
**OFFICE OF THE BUDGET DIRECTOR** **FISCAL IMPACT STATEMENT**

Bill Number:	Type: Emergency ( <input checked="" type="checkbox"/> )    Temporary ( <input type="checkbox"/> )    Permanent ( <input type="checkbox"/> )	Date Reported: October 7, 2003
Subject/Short Title: "Authorization of the Spending of the Commercial Trust Fund Emergency Act of 2003"		
<b>Part I. Summary of the Fiscal Estimates of the Bill</b>		
	<b>YES</b>	<b>NO</b>
1. It will impact spending. (If "Yes," complete Section 1 in the Fiscal Estimate Worksheet).		
a) It will affect local expenditures.	( )	( x )
b) It will affect federal expenditures.	( )	( x )
c) It will affect private/other expenditures.	( )	( x )
d) It will affect intra-District expenditures.	( )	( x )
2. It will impact revenue. (If "Yes," complete Section 2 in the Fiscal Estimate Worksheet).		
a) It will impact local revenue.	( )	( x )
b) It will impact federal revenue.	( )	( x )
c) It will impact private/other revenue. See below	( )	( x )
d) It will impact intra-District revenue.	( )	( x )
3. The bill will have NO or minimal fiscal impact. (If "Yes," explain below).		
Explanation:		
The proposed legislation does not have any fiscal impact on the District's General Fund. The proposed legislation will not require additional staff or resources.		
<b>Part II. Other Impact of the Bill</b>		
If you check "Yes" for each question, please explain on separate sheet, if necessary.		
	<b>YES</b>	<b>NO</b>
1. It will affect an agency and/or agencies in the District.	( )	( x )
2. Are there performance measures/output for this bill?	( )	( x )
3. Will it have results/outcome, i.e., what would happen if this bill is not enacted?	( )	( x )
4. Are funds appropriated for this bill in the Budget and Financial Plan for the current year?	( )	( x )
Sources of information:	Councilmember: Sharon Ambrose, Chair, Committee on Consumer and Regulatory Affairs	
Council staff	Staff Person & Tel: David Grosso 724-8072	
	Council Budget Director's Signature: <i>[Signature]</i>	

10/1/03

## ENROLLED ORIGINAL

## AN ACT

D.C. ACT 15-196

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

OCTOBER 24, 2003Codification  
District of  
Columbia  
Official Code

2001 Edition

2004 Winter  
Supp.West Group  
Publisher

To amend the District of Columbia Theft and White Collar Crimes Act of 1982 to establish the crime of identity theft, to provide penalties for the crime, to provide enhanced penalties for persons committing identity theft against persons 65 years of age or older, to authorize the court to provide restitution to the victim and to order the correction of public records containing false information as a result of the identify theft, and to require the Metropolitan Police Department to take reports of identity theft and provide the complainant with a copy of the report.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Identity Theft Amendment Act of 2003".

Sec. 2. The District of Columbia Theft and White Collar Crimes Act of 1982, effective December 1, 1982 (D.C. Law 4-164; D.C. Official Code § 22-3201 *et seq.*), is amended as follows:

(a) The table of contents is amended by adding the following after the phrase "Sec. 126o. General disclosures.":

"Subtitle 3C. Identity Theft.

"Sec. 127a. Definitions.

"Sec. 127b. Identity theft.

"Sec. 127c. Penalties for identity theft.

"Sec. 127d. Restitution.

"Sec. 127e. Correction of public records.

"Sec. 127f. Jurisdiction.

"Sec. 127g. Limitations.

"Sec. 127h. Police reports.

(b) Section 103 (D.C. Official Code § 22-3203) is amended as follows:

(1) Paragraph (2) is amended by striking the word "or" at the end.

(2) Paragraph (3) is amended by striking the period at the end and inserting a semicolon in its place.

(3) New paragraphs (4) and (5) are added to read as follows:

## ENROLLED ORIGINAL

"(4) Identity theft and theft; or

"(5) Identity theft and fraud."

(c) A new subtitle 3C is added to read as follows:

"Subtitle 3C. Identity Theft.

"Sec. 127a. Definitions.

"For the purposes of this subtitle, the term:

"(1) 'Financial injury' means all monetary costs, debts, or obligations incurred by a person as a result of another person obtaining, creating, possessing, or using that person's personal identifying information in violation of this subtitle, including, but not limited to:

"(A) The costs of clearing the person's credit rating, credit history, criminal record, or any other official record, including attorney fees;

"(B) The expenses related to any civil or administrative proceeding to satisfy or contest a debt, lien, judgment, or other obligation of the person that arose as a result of the violation of this subtitle, including attorney fees;

"(C) The costs of repairing or replacing damaged or stolen property; and

"(D) Lost time or wages, or any similar monetary benefit forgone while the person is seeking redress for damages resulting from a violation of this subtitle.

"(2) 'Person' means an individual, whether living or dead.

"(3) 'Personal identifying information' includes, but is not limited to, the following:

"(A) Name, address, telephone number, date of birth, or mother's maiden name;

"(B) Driver's license or driver's license number, or non-driver's license or non-driver's license number;

"(C) Savings, checking, or other financial account number;

"(D) Social security number or tax identification number;

"(E) Passport or passport number;

"(F) Citizenship status, visa, or alien registration card or number;

"(G) Birth certificate or a facsimile of a birth certificate;

"(H) Credit or debit card, or credit or debit card number;

"(I) Credit history or credit rating;

"(J) Signature;

"(K) Personal identification number, electronic identification number, password, access code or device, electronic address, electronic identification number, routing information or code, digital signature, or telecommunication identifying information;

"(L) Biometric data, such as fingerprint, voice print, retina or iris image, or other unique physical representation;

"(M) Place of employment, employment history, or employee identification number; and

"(N) Any other numbers or information that can be used to access a

## ENROLLED ORIGINAL

person's financial resources, access medical information, obtain identification, act as identification, or obtain property.

"(4) 'Property' shall have the same meaning as provided in section 101(3) and shall include credit.

"Sec. 127b. Identity theft.

"A person commits the offense of identity theft if that person knowingly:

"(1) Uses personal identifying information belonging to or pertaining to another person to obtain, or attempt to obtain, property fraudulently and without that person's consent; or

"(2) Obtains, creates, or possesses personal identifying information belonging to or pertaining to another person with the intent to:

"(A) Use the information to obtain, or attempt to obtain, property fraudulently and without that person's consent; or

"(B) Give, sell, transmit, or transfer the information to a third person to facilitate the use of the information by that third person to obtain, or attempt to obtain, property fraudulently and without that person's consent.

"Sec. 127c. Penalties for identity theft.

"(a) *Identity theft in the first degree* -- Any person convicted of identity theft shall be fined not more than (1) \$10,000, (2) 3 times the value of the property obtained, or (3) 3 times the amount of the financial injury, whichever is greatest, or imprisoned for not more than 10 years, or both, if the property obtained or the amount of the financial injury is \$250 or more.

"(b) *Identity theft in the second degree* -- Any person convicted of identity theft shall be fined not more than \$1,000 or imprisoned for not more than 180 days, or both, if the value of the property obtained or the amount of the financial injury, whichever is greater, is less than \$250.

"(c) *Enhanced penalty* -- Any person who commits the offense of identity theft against an individual who is 65 years of age or older, at the time of the offense, may be punished by a fine of up to 1 ½ times the maximum fine otherwise authorized for the offense and may be imprisoned for a term of up to 1 ½ times the maximum term of imprisonment otherwise authorized for the offense, or both. It is an affirmative defense that the accused:

"(1) Reasonably believed that the victim was not 65 years of age or older at the time of the offense; or

"(2) Could not have determined the age of the victim because of the manner in which the offense was committed.

"Sec. 127d. Restitution.

"When a person is convicted of identity theft, the court may, in addition to any other applicable penalty, order restitution for the full amount of financial injury.

"Sec. 127e. Correction of public records.

"(a) When a person is convicted, adjudicated delinquent, or found not guilty by reason of insanity of identity theft, the court may issue such orders as are necessary to correct any

## ENROLLED ORIGINAL

District of Columbia public record that contains false information as a result of a violation of this subtitle.

“(b) In all other cases, a person who alleges that he or she is a victim of identity theft may petition the court for an expedited judicial determination that a District of Columbia public record contains false information as a result of a violation of this subtitle. Upon a finding of clear and convincing evidence that the person was a victim of identity theft, the court may issue such orders as are necessary to correct any District of Columbia public record that contains false information as a result of a violation of this subtitle.

“(c) Notwithstanding any other provision of law, District of Columbia agencies shall comply with orders issued under subsection (a) of this section within 30 days of issuance of the order.

“(d) For the purposes of this section, the term “District of Columbia public record” means any document, book, photographic image, electronic data recording, paper, sound recording, or other material, regardless of physical form or characteristic, made or received pursuant to law or in connection with the transaction of public business by any officer or employee of the District of Columbia.

“Sec. 127f. Jurisdiction.

“The offense of identity theft shall be deemed to be committed in the District of Columbia, regardless of whether the offender is physically present in the District of Columbia, if:

“(1) The person whose personal identifying information is improperly obtained, created, possessed, or used is a resident of the District of Columbia; or

“(2) Any part of the offense takes place in the District of Columbia.

“Sec. 127g. Limitations.

“Obtaining, creating, possessing, and using a person’s personal identifying information in violation of this subtitle shall constitute a single scheme or course of conduct, and the applicable period of limitation under § 23-113 shall not begin to run until after the scheme or course of conduct has been completed or terminated.

“Sec. 127h. Police reports

“The Metropolitan Police Department shall make a report of each complaint of identity theft and provide the complainant with a copy of the report.”.

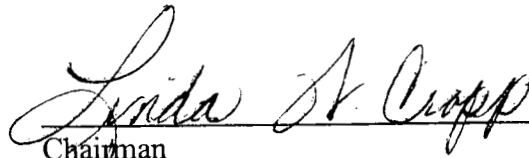
### Sec. 3. Fiscal impact statement.

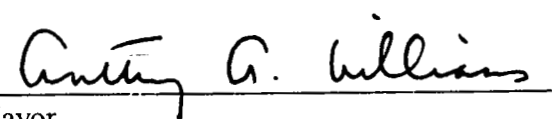
The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

### Sec. 4. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 60-day period of Congressional review as

provided in section 602(c)(2) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code §1-206.02(c)(2)), and publication in the District of Columbia Register.

  
Chairman  
Council of the District of Columbia

  
Mayor  
District of Columbia  
APPROVED  
October 24, 2003



**FISCAL IMPACT STATEMENT**  
**BILL 15-36 – "Identity Theft Amendment Act of 2003"**

A Fiscal Impact Statement for Bill 15-36, "Identity Theft Amendment Act of 2003," was approved by the Chief Financial Officer ("CFO") on September 15, 2003 and forwarded to the Chairman of the Council of the District of Columbia.

The CFO concludes that funds are not sufficient in FY 2004 through 2007 to implement the provisions of the proposed legislation on the basis of the Metropolitan Police Department's ("MPD") assertion that the bill will require 10 additional Grade 1 – Class 3, Step 1 full-time detectives to conduct investigations and support prosecutorial actions by the US Attorneys Office, a requirement MPD claims will cost a total of \$2.45 million over a 4-year period.

The Committee on the Judiciary (the "Committee") disagrees with the findings of the CFO for a number of reasons. First, the CFO apparently analyzed the bill as introduced, rather than as approved by the Committee. In the bill voted on at first reading on July 8, 2003, the Committee had already omitted Sec. 127i, Security Alerts in Consumer Credit Reports, which would have enabled victims to have a security alert placed on their credit report by a consumer credit reporting agency, because the Committee determined there was no mechanism in place to ensure compliance. The CFO's Fiscal Impact Statement dated September 15, 2003, however, refers to consumer credit reporting agencies and security alerts in its description of the bill's requirements.

Second, the scope of the bill is not as broad as MPD suggests. The proposed legislation does not mandate that the police investigate all complaints or that the US Attorneys Office proceed with prosecutorial actions in all cases, but allows a significant amount of discretionary authority to remain with both agencies about which cases to investigate as is the case with all other violations.

Third, MPD's assertion that Bill 15-36 would give rise to 2,000 to 2,500 cases per year as a result of this legislation is without basis. MPD does not provide a justification for these numbers, and in response the Committee offers data presented at its public hearing on April 3, 2003. At that hearing, a representative from the Federal Trade Commission reported that in 2002, it had received complaints from 704 District of Columbia residents who discovered their identities had been stolen. Furthermore, according to the FTC, only 39% of those victims (274 people) contacted MPD after they discovered the identity theft, and MPD wrote police reports for 25% of the victims (168 reports). So although the District has the highest per capital rate of identity theft per 100,000 residents, the numbers are significantly less than the 2,000 to 2,500 cases MPD estimates they will receive each year as a result of this legislation.

Finally, the Committee believes that even if there is an increase in the number of crimes reported to the police as a result of the criminalization of identity theft, MPD has sufficient resources today to be able to do the job. During a hearing on March 10, 2003

on other legislation pending before the Committee, Chief Ramsey testified that currently there are approximately 400 detectives within the MPD. Presumably the officers required to implement this legislation would already be detectives and have some detective experience. If the passage of this legislation requires MPD to assign additional detectives to its existing Financial Crimes Unit, then MPD should re-assign ten of the 400 detectives currently on board to the Financial Crimes Unit.

- Also, in view of the size of the District of Columbia, MPD is a massive police force with the highest ratio of full-time sworn personnel per 100,000 residents in the country - 631 - that is twice as high as New York, the state with the second highest ratio whose municipal police department has an average ratio of 390 officers per 100,000 residents. Further, MPD's argument contained in the Chief Financial Officer's fiscal impact statement appears to be that it will have to hire ten *new* employees to implement the legislation at a *new* cost to the MPD. This argument fails to acknowledge that MPD already contains funds in its FY 2004 budget to hire 200 new police officers beyond the number now on board.

As was stated in the June 30, 2003 Report on Bill 15-36, the Committee on the Judiciary projects that this legislation will have a negligible fiscal impact. The only costs associated with this bill will be to the MPD for completing police reports that arise from the crime of identity theft, and as the CFO's September 15<sup>th</sup> statement indicates, "initial reporting requirements could be absorbed by existing operations."

COUNCIL OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE BUDGET DIRECTOR

## FISCAL IMPACT STATEMENT

Bill Number: 15-36	Type: Emergency ( ) Temporary ( ) Permanent ( X )	Date Reported: 9/30/03
Subject/Short Title: "Identity Theft Amendment Act of 2003".		

Part II Summary of the Fiscal Estimates of the Bill		
	YES	NO
1. It will impact spending. (If "Yes," complete Section 1 in the Fiscal Estimate Worksheet).	( )	( X )
a) It will affect local expenditures.	( )	( X )
b) It will affect federal expenditures.	( )	( X )
c) It will affect private/other expenditures.	( )	( X )
d) It will affect intra-District expenditures.	( )	( X )
2. It will impact revenue. (If "Yes," complete Section 2 in the Fiscal Estimate Worksheet).	( )	( X )
a) It will impact local revenue.	( )	( X )
b) It will impact federal revenue.	( )	( X )
c) It will impact private/other revenue.	( )	( X )
d) It will impact intra-District revenue.	( )	( X )
3. The bill will have NO or minimal fiscal impact. (If "Yes," explain below).	( X )	( )
Explanation:		

Part III Other Impact of the Bill		
If you check "Yes" for each question, please explain on separate sheet, if necessary.		
	YES	NO
1. It will affect an agency and/or agencies in the District.	( X )	( )
2. Are there performance measures/output for this bill?	( )	( X )
3. Will it have results/outcome, i.e., what would happen if this bill is not enacted?	( X )	( )
4. Are funds appropriated for this bill in the Budget and Financial Plan for the current year?	( X )	( )

Sources of information:	Councilmember: Kathy Patterson
Judiciary Committee research	Staff Person & Tel: June Kress, 724-3955
	Council Budget Director's Signature: <i>[Signature]</i>

9/30/03

09/30/03

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GOVERNMENT OF THE DISTRICT OF COLUMBIA  
Office of the Chief Financial OfficerNatwar M. Gandhi  
Chief Financial OfficerMEMORANDUM

**TO:** The Honorable Linda W. Cropp  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer

**DATE:** September 15, 2003

**SUBJECT:** Fiscal Impact Statement: "Identity Theft Amendment Act of 2003"

**REFERENCE:** Bill 15-036 as Amended in the Nature of a Substitution

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**Conclusion**

Funds are not sufficient in the FY 2004 through FY 2007 budget and financial plan as agreed to by the Mayor and the Council of the District of Columbia because additional resources will be required. **Implementing the proposed legislation will result in unbudgeted costs of \$0.59 million in FY 2004 and \$2.45 million in FY 2004 through FY 2007.**

Anti-deficiency laws, 31 USCA § 1341 (2000) and D.C. Official Code § 47-355.01 *et sequitur* (2003), prohibit District officers and employees from exceeding agency appropriations in any fiscal year. Should the Metropolitan Police Department (MPD) determine that funding is available to absorb the additional costs in FY 2004, then the fiscal impact would be zero. For subsequent years, the additional expenditures must be included as budgeted expenditures.

**Background**

The proposed legislation will establish a local statute that criminalizes the act of identity theft. The D.C. Code prohibits credit card fraud, general fraud, and theft, but the act of identity theft is not against the law. As a result, the criminal justice system is unable to prosecute those who misrepresent their identities or obtain personal identifying information. MPD indicates that identity theft is beyond its jurisdiction, and are therefore unable to investigate the crime.

The Honorable Linda W. Cropp

FIS: Draft Legislation, "Acting Director of the Office of Cable Television and Telecommunications James

K. Brown, Jr. Confirmation Approval Resolution of 2003"

Page 2 of 2

The proposed legislation amends the Theft and White Collar Crimes Act of 1982<sup>1</sup> to make identity theft a criminal offense and provide enhanced penalties for offenders who commit identity theft against persons 65 years of age or older. The proposed legislation also authorizes the court to provide restitution to the victim and to order the correction of public records containing false information as a result of identity theft.

The proposed legislation requires MPD to report identity theft and provide the complainant with a copy of the report. In addition, the proposed legislation requires consumer credit reporting agencies to include security alerts in consumer reports upon request of consumers who believe they have been victims of identity theft.

#### Financial Plan Impact

The District of Columbia is ranked number one by the Federal Trade Commission (FTC) in terms of fraud complaints per 100,000 population and in terms of identity theft victims per 100,000 population. MPD estimates that if implemented the proposed legislation would result in 2,000 to 2,500 cases per year. Although initial reporting requirements could be absorbed by existing operations, MPD has indicated they will require 10 additional detectives to conduct investigations and support prosecutorial actions by the U.S. Attorney's Office.

Funds are not sufficient in the FY 2004 through FY 2007 budget and financial plan to implement the provisions of the proposed legislation. MPD has indicated at a minimum they will require 10 additional Detective Grade I - Class 3, Step 1 FTEs. The table in Figure 1 presents the local personnel services costs<sup>2</sup> associated with implementing the proposed compensation agreement.

Figure 1.

Expenditure Impact to the Financial Plan (\$ in millions)				
FY 2004	FY 2005	FY 2006	FY 2007	TOTAL
\$0.59	\$0.60	\$0.62	\$0.64	\$2.45

Judgements in the nature of fines, penalties, late fees and penalty interest collected as a result of successful criminal prosecution are currently retained by the D.C. Superior Court.

*The Chief Financial Officer's legislative fiscal analysis is prepared by the Special Projects and Fiscal Analysis Administration in the Office of Research and Analysis. Contact us at 441 4<sup>th</sup> Street, NW, Suite 400S, Washington D.C., 20001 or view our work on-line at <http://cfo.dc.gov>.*

<sup>1</sup> D.C. Law 4-164; D.C. Official Code § 22-3201 *et sequitor*, effective December 1, 1982.

<sup>2</sup> Figures include salary and benefits calculated at 15 percent. PS costs reflect scheduled increases effective after April 6, 2003 change date.

## ENROLLED ORIGINAL

## AN ACT

D.C. ACT 15-197

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA  
OCTOBER 24, 2003

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*Codification  
District of  
Columbia  
Official Code*

2001 Edition

2003 Winter  
Supp.West Group  
Publisher

To amend the District of Columbia Government Comprehensive Merit Personnel Act of 1978 to establish a voluntary leave transfer leave bank program for District government employees.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Voluntary Transfer of Leave Amendment Act of 2003".

Sec. 2. The District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Official Code § 1-601.01 *et seq.*), is amended by adding a new Title XII-A to read as follows:

"TITLE XII-A. VOLUNTARY LEAVE TRANSFER PROGRAM.

"1231. Definitions.

"For purposes of this title, the term:

"(1) "Agency" shall have the meaning provided in section 301(1).

"(2) "Child" means any person:

"(A) Under 21 years of age;

"(B) Twenty-one years of age or older and is substantially dependent upon the recipient employee by reason of physical or mental disability; or

"(C) Under 23 years of age and is a full-time student.

"(3) "Domestic partner" shall have the meaning provided in section 2 of the Health Care Benefits Expansion Act of 1992, effective June 11, 1992 (D.C. Law 9-114; D.C. Official Code §32-701).

"(4) "Employee" shall have the meaning provided in §1-603.01(7), except that it shall mean an employee who is eligible to accrue annual or universal leave.

"(5) "Head" shall have the meaning provided in section 301.

"(6) "Immediate relative" means:

"(A) An individual who is related by blood or marriage to the recipient employee as father, mother, child, husband, or wife;

## ENROLLED ORIGINAL

“(B) An individual for whom the recipient employee is the legal guardian; or

“(C) A domestic partner.

“(7) “Independent agency” shall have the meaning provided in section 301(13).

“(8) “Intimidate, threaten, or coerce” includes promising to confer or conferring any benefit such as appointment, promotion, or compensation, or effecting, or threatening to effect, any reprisal such as deprivation of appointment, promotion, or compensation.

“(9) “Leave contributor” means an employee who contributes annual or universal leave to be transferred to a designated recipient employee.

“(10) “Personal care” means custodial or primary assistance that helps an individual with activities of daily living, including bathing, eating, dressing, and continence. The term “personal care” shall include the recent adoption of a child and the care of a newborn child.

“(11) “Prolonged absence” means an employee’s absence from duty for at least 10 consecutive workdays that will result in a substantial loss of income to the employee because of the unavailability of paid leave.

“(12) “Recipient employee” means an individual employed by the District government for a minimum of one year without a break in service who is designated to receive annual or universal leave transferred from a leave contributor.

“(13) “Serious health condition” means pregnancy or a physical or mental illness, injury, or impairment that involves a hospital, hospice, or residential health care facility or continuing treatment at home by a competent health care provider or other individual.

“Sec. 1232. Voluntary leave transfer program.

“(a) Each agency or independent agency shall establish a voluntary leave transfer program under which annual or universal leave accrued or accumulated by an employee may be transferred on an hour-for-hour basis within the agency to the annual or universal leave account of any other eligible agency employee.

“(b) A voluntary transfer of leave is authorized when a potential recipient employee will suffer a prolonged absence due to the employee’s serious health condition or the employee’s responsibility to provide personal care to an immediate relative.

“(c) A recipient employee shall be eligible to receive a maximum of 320 hours of transferred leave during any 12-month period. Any unused transferred leave shall be forfeited or may be transferred to the annual leave bank upon the concurrence of the Office of Personnel.

“(d)(1) Notwithstanding any other provision of this section, if the head of an agency determines that any organization or program within the agency or independent agency is being substantially disrupted in carrying out its functions or is incurring additional costs because of its participation in the voluntary leave transfer program, the agency head may exclude from the program any employee or group of employees.

(2) If the head of an agency excludes an employee or group of employees from

## ENROLLED ORIGINAL

the program, he or she shall submit a report to the Director of the Office of Personnel specifying how the organization or program would be substantially disrupted in carrying out its functions or would incur additional costs. This information shall be included in this Voluntary Transfer of Leave Program Report required under section 1238.

"Sec. 1233. Application to receive transferred leave.

"(a) An employee who expects to experience a prolonged absence may make written application to the agency head or designee to become a recipient employee.

"(b) If the employee is not capable of making an application, another employee of the agency may make written application on the employee's behalf.

"(c) The application shall include at least the following:

"(1) The anticipated duration of the prolonged absence;

"(2) The name, position title, and grade of the proposed recipient employee;

"(3) The name and organizational location within the agency or independent agency as appropriate of the potential leave contributor; and

"(4) The amount of leave requested.

"(d) The agency shall require submission of the following:

"(1) An affidavit signed by the recipient employee attesting to the fact that the individual requiring personal care is an immediate relative or that the personal care is due to the recent adoption of a child or care of a newborn child; and

"(2) Certification from a physician or other licensed healthcare professional that the recipient employee has experienced a serious health condition or that the recipient employee's immediate relative requires personal care, except that no certification shall be required in cases of pregnancy, the recent adoption of a child, or care of a newborn child.

"Sec. 1234. Leave contributions.

"(a) A potential leave contributor may, by written application to the agency head or designee, request that a specified number of hours be transferred from the annual or universal leave account of the employee to the annual or universal leave account of a potential recipient employee.

"(b) A leave contributor shall not contribute more than 1/2 of the amount of annual or universal leave that the leave contributor would be entitled to accrue during the leave year; provided, that a leave contributor may contribute restored leave without limitation.

"Sec. 1235. Approval or disapproval of leave transfer.

"(a) Before approving an application, the agency head or designee shall determine that the request to become a recipient employee has been necessitated by a prolonged absence due to the employee's serious health condition or the employee's responsibility to provide personal care to an immediate relative.

"(b) In approving or disapproving the application, the agency head or designee may consider the leave record of the potential receiving employee, the probability that the recipient employee will separate from service, and any exigency or disruption in service that the agency



or independent agency may experience.

"(c) The agency head or designee shall approve or disapprove an application of a proposed recipient employee and, to the extent practicable, shall notify the proposed recipient employee or the employee acting on behalf of the proposed recipient employee within 15 calendar days of receipt of the application. Notwithstanding any other law, if the recipient employee is eligible for leave under the Family and Medical Leave provisions of 28 U.S. C. § 2601 *et seq.*, the leave transfer shall be granted.

"Sec. 1236. Receipt and use of transferred leave.

"(a) Each agency or independent agency shall maintain an accounting of the voluntary leave transfer program and the leave records of the recipient employee and the leave contributor.

"(b) A recipient employee may use contributed annual or universal leave transferred under this section in the same manner as if the leave had accrued to the recipient employee; provided, that any annual, universal leave, sick leave, or advanced leave shall be exhausted before any transferred leave may be used.

"(c) During the period in which transferred leave is being used, no annual, universal, or sick leave shall accrue to the recipient employee.

"(d) Use of transferred leave shall terminate when:

"(1) The recipient employee is no longer affected by the serious health condition or is not responsible for providing personal care to the immediate family member; or

"(2) The recipient employee separates from employment.

"(e) Unused transferred leave shall not be subject to any form of lump-sum leave payment upon the recipient employee's separation from employment.

"Sec. 1237. Prohibition of coercion.

"An employee shall not directly or indirectly intimidate, threaten, or coerce any other employee for the purpose of interfering with any right that the employee may exercise to contribute, receive, or use annual or universal leave.

"Sec. 1238. Voluntary transfer of leave program report.

"On or before February 1 of each year, the Office of Personnel shall provide a Voluntary Transfer of Leave Program Report to the Council. The report shall include:

"(1) A comprehensive list of all voluntary leave bank contributors;

"(2) A comprehensive list of all transfer of leave recipients;

"(3) Documentation demonstrating that proper deductions have been taken from the contributor's leave accrual;

"(4) Documentation demonstrating the actual transfer of leave to the recipient;

and

"(5) If the head of an agency excludes an employee or group of employees from the program under section 1232(d) because an organization or program within the agency would be substantially disrupted in carrying out its functions or would incur additional costs:

"(A) The manner in which the organization or program within the agency

## ENROLLED ORIGINAL

would be substantially disrupted in carrying out its functions; or

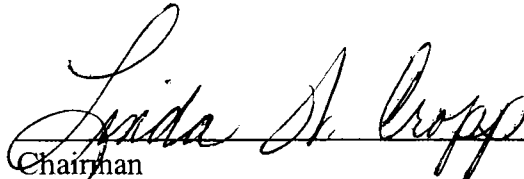
“(B) The amount of additional costs which will be incurred and the reasons that they will be incurred.”.

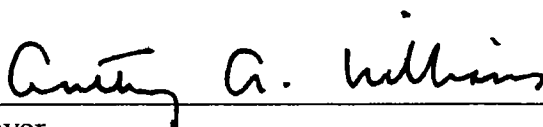
Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 4. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

  
Chairman  
Council of the District of Columbia

  
Mayor  
District of Columbia  
APPROVED  
October 24, 2003

## ENROLLED ORIGINAL

AN ACT  
D.C. ACT 15-198IN THE COUNCIL OF THE DISTRICT OF COLUMBIA  
OCTOBER 24, 2003Codification  
District of  
Columbia  
Official Code

2001 Edition

2003 Winter  
Supp.West Group  
Publisher

To amend the Draft Master Plan for Public Reservation 13 Approval Act of 2002 to provide that Reservation 13 Benefit Area funds may be used to fund infrastructure improvements related to proposed developments within the Reservation 13 Benefit Area and to provide health care to the uninsured residents of the District; and to amend the Tobacco Settlement Trust Fund Establishment Act of 1999.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Draft Master Plan for Public Reservation 13 Amendment Act of 2003".

Sec. 2. The Draft Master Plan for Public Reservation 13 Approval Act of 2002, effective April 11, 2003 (D.C. Law 14-300; D.C. Official Code § 10-1501 *et seq.*), is amended as follows:

(a) Section 4 (D.C. Official Code § 10-1503) is amended as follows:

Amend  
§ 10-1503

(1) Strike the phrase "(a) There is established" and insert the phrase "There is established" in its place.

(2) Subsections (b) and (c) are repealed.

(b) Section 5 (D.C. Official Code § 10-1504) is amended as follows:

Amend  
§ 10-1504

(1) Subsection (b) is amend to read as follows:

"(b) All sales tax revenues generated from commercial enterprises within the R13BA, all taxes on any real property, except for the real property special tax set aside to pay debt service on general obligation bonds issued by the District of Columbia, and all payments made in lieu of taxes on any real property, which is exempt or immune from real property taxation that is leased, loaned, or otherwise made available to any person in connection with a commercial enterprise or as a residence in an amount equivalent to the tax that would be lawfully assessed if the real property were not exempt or immune from real property taxation, that are collected within the R13BA shall be applied in the following order:

"(1) To fund infrastructure improvements related to a proposed development; or

"(2) To be deposited in the Tobacco Settlement Trust Fund, established by the Tobacco Settlement Trust Fund Establishment Act of 1999, effective October 20, 1999 (D.C.

## ENROLLED ORIGINAL

Law 13-38; D.C. Official Code § 7-1811.01 *et seq.*) ("Fund") into a dedicated R13BA Health Care account to be used for the purpose of providing health care to the uninsured residents of the District."

(2) Subsection (c) is repealed.

(c) Section 6 (D.C. Official Code § 10-1505) is amended to read follows:

Amend  
§ 10-1505

"Sec. 6. Allocation of R13BA property sales and lease proceeds.

"The proceeds from the lease or sale of any property in the R13BA, which includes all structures of a permanent character erected on or affixed to, any natural resources located on or under, all riparian rights attached to, or any air space located above or below the property or any street or alley, owned, controlled, or administered by the District, shall be applied in the following order:

"(1) To fund infrastructure improvements related to a proposed development; or

"(2) To be deposited in the Fund into a dedicated R13BA Health Care account to be used for the purpose of providing health care to the uninsured residents of the District."

Sec. 3. The Tobacco Settlement Trust Fund Establishment Act of 1999, effective October 19, 2000 (D.C. Law 13-172; D.C. Official Code § 7-1811.01 *et seq.*), is amended as follows:

(a) Section 2302(a)(1)(C) (D.C. Official Code § 7-1811.01(a)(1)(C)) is amended as follows:

Amend  
§ 7-1811.01

(1) Strike the phrase "Hospital account or R13BA Health Care account (collectively, "R13BA funds")" and insert the phrase "Health Care account ("R13BA fund)" in its place.

(2) Strike the phrase "passed on 2nd reading on December 3, 2002 (Engrossed version of Bill 15-648)." and insert the phrase "effective April 11, 2003 (D.C. Law 14-300; D.C. Official Code § 10-1501)." in its place.

(b) Section 2302b(c) (D.C. Official Code § 7-1811.03(c)) is amended to read as follows:

Amend  
§ 7-1811.03

""(c) The R13BA fund, including all accrued interest, shall be used as follows:

"(1) To fund infrastructure improvements related to a proposed development within the R13BA;

""(2) To provide health care to the uninsured residents of the District; and

""(3) For administrative support in the provision of health care to the uninsured."

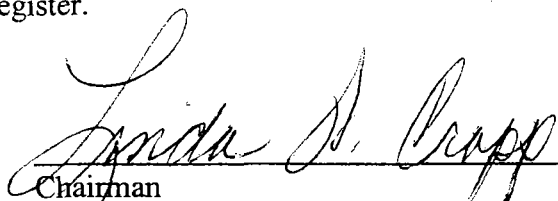
Sec. 4. Fiscal impact statement.

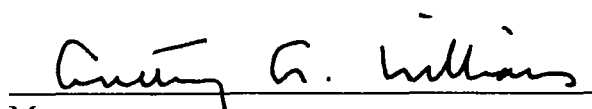
The Council adopts the fiscal impact statement in the committee report for Bill 14-648 as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

ENROLLED ORIGINAL

## Sec. 5. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

  
Chairman  
Council of the District of Columbia

  
Mayor  
District of Columbia  
APPROVED  
October 24, 2003

## ENROLLED ORIGINAL

AN ACT  
D.C. ACT 15-199IN THE COUNCIL OF THE DISTRICT OF COLUMBIA  
OCTOBER 24, 2003Codification  
District of  
Columbia  
Official Code

2001 Edition

2003 Winter  
Supp.West Group  
Publisher

To amend the Government Employer-Assisted Housing Amendment Act of 1999 to include Emergency Medical Technicians in the Government Employer-Assisted Housing Program, and to amend the Employer-Assisted Housing Program regulations.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Government Employer-Assisted Housing Program Teacher, Police Officer, Firefighter, and Emergency Medical Technician Incentive Amendment Act of 2003".

Sec. 2. Section 4 of the Government Employer-Assisted Housing Amendment Act of 1999, effective May 9, 2000 (D.C. Law 13-96; D.C. Official Code § 42-2503), is amended by adding the phrase "emergency medical technician," after the phrase "firefighter," wherever it appears.

Amend  
§ 42-2503

Sec. 3. Chapter 36 of Title 14 of the District of Columbia Municipal Regulations is amended as follows:

DCMR

(a) Subsection 3602.3(e) is amended by adding the phrase "emergency medical technicians," after the phrase "firefighters,".

(b) Subsection 3603.1 is amended by adding the phrase "emergency medical technicians," after the phrase "firefighters,".

(c) Subsection 3605.4 is amended by adding the phrase "emergency medical technicians," after the phrase "firefighters,".

(d) Subsection 3607.1 is amended as follows:

(1) Add the phrase "emergency medical technicians," after the phrase "firefighters," in the paragraph defining the term "Applicant."

(2) Add the following paragraph after the paragraph defining the term "Downpayment Matching Funds:"

"Emergency Medical Technician: defined to include all civilian personnel of the District of Columbia Fire and Emergency Medical Services Department who have fulfilled prescribed requirements by a credentialing agency to practice the art and science of out-of-hospital medicine in conjunction with medical direction, through the performance of assessments and the provision of medical care for emergency patients in the out-of-hospital setting and the expeditious transport to an appropriate care facility."

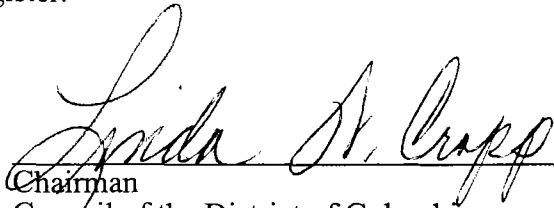
## ENROLLED ORIGINAL

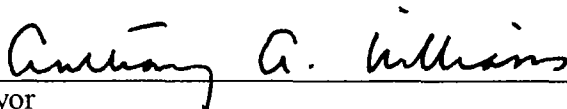
## Sec. 4. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

## Sec. 5. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

  
Chairman  
Council of the District of Columbia

  
Mayor  
District of Columbia  
APPROVED  
October 24, 2003

## ENROLLED ORIGINAL

AN ACT  
D.C. ACT 15-200IN THE COUNCIL OF THE DISTRICT OF COLUMBIA  
OCTOBER 24, 2003*Codification  
District of  
Columbia  
Official Code*

2001 Edition

2003 Winter  
Supp.West Group  
Publisher

To symbolically designate, 21st Street, N.W., between Massachusetts Avenue and Q Street, N.W., as Kivie Kaplan Way.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Kivie Kaplan Way Designation Act of 2003".

Sec. 2. Pursuant to Section 403a of the Street and Alley Closing and Acquisition Procedures Act of 1982, effective April 9, 1997 (D.C. Law 11-236; D.C. Official Code § 9-204.03a), the Council symbolically designates 21st Street, N.W., between Massachusetts Avenue and Q Street, N.W., as "Kivie Kaplan Way."

*Note,  
§ 9-204.03a*

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

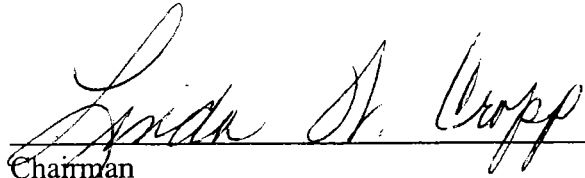
Sec. 4. Effective date.

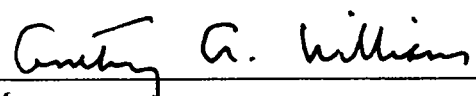
This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December



ENROLLED ORIGINAL

24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

  
\_\_\_\_\_  
Chairman  
Council of the District of Columbia

  
\_\_\_\_\_  
Mayor  
District of Columbia  
APPROVED  
October 24, 2003

ENROLLED ORIGINAL

AN ACT  
D.C. ACT 15-201

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA  
OCTOBER 24, 2003

*Codification  
District of  
Columbia  
Official Code*

2001 Edition

2004 Winter  
Supp.

West Group  
Publisher

To amend, on an emergency basis, due to Congressional review, Title 47 of the District of Columbia Official Code to permit the Office of Tax and Revenue to furnish the name, address, and social security data to the Superior Court of the District of Columbia.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Superior Court of the District of Columbia Master Jury List Project Clarification Legislative Review Emergency Act of 2003".

Sec. 2. Title 47 of the District of Columbia Official Code is amended as follows:

(a) Section 47-1805.04 is amended by adding a new subsection (j) to read as follows:

Note,  
§ 47-1805.04

"(j) Disclosure to the Superior Court of the District of Columbia. – Notwithstanding any other provision of this section, the Office of Tax and Revenue may furnish in accordance with § 11-1905 to the Superior Court of the District of Columbia, upon request of the Court, the names, addresses, and social security numbers of individuals who have filed a return under § 47-1805.02(a)."

(b) Section 47-4406 is amended as follows:

Note,  
§ 47-4406

(1) Subsection (a) is amended by striking the phrase ", and (e-1)" and inserting the phrase ", (e-1), and (e-2)" in its place.

(2) A new subsection (e-2) is added to read as follows:

"(e-2) Notwithstanding any other provision of this section, the Office of Tax and Revenue may furnish in accordance with § 11-1905 to the Superior Court of the District of Columbia, upon request of the Court, the names, addresses, and social security numbers of individuals who have filed a return under § 47-1805.02(1)."

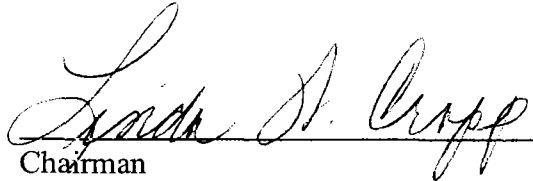
Sec. 3. Fiscal impact statement.

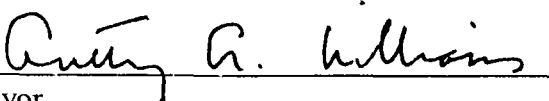
The Council adopts the attached fiscal impact statement as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

ENROLLED ORIGINAL

## Sec. 4. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

  
Chairman  
Council of the District of Columbia

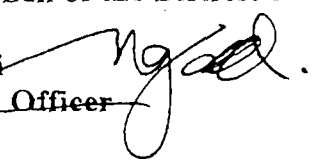
  
Mayor  
District of Columbia  
APPROVED  
October 24, 2003

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE CHIEF FINANCIAL OFFICER

Natwar M. Gandhi  
Chief Financial Officer

MEMORANDUM

TO: The Honorable Linda W. Cropp  
Chairman, Council of the District of Columbia

FROM: Natwar Gandhi   
Chief Financial Officer

DATE: FEB 27 2003

SUBJECT: Fiscal Impact Statement: "Superior Court of the District of  
Columbia Master Jury List Project Clarification Act of 2003"

REFERENCE: Draft Bill

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**Conclusion**

Funds are sufficient in the FY 2003 through FY 2006 budget and financial plan to implement the Superior Court of the District of Columbia Master Jury List Project Clarification Act of 2003.

**Background**

The proposed legislation would provide legal authority for the Office of Tax and Revenue to release name, address and Social Security information to the Superior Court of the District of Columbia to be used to create jury pools. The Superior Court currently uses Department of Motor Vehicles Records.

**Financial Plan Impact**

Funds are sufficient in the FY 2003 through FY 2006 budget and financial plan.

## ENROLLED ORIGINAL

## AN ACT

## D.C. ACT 15-202

## IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

OCTOBER 24, 2003

*Codification  
District of  
Columbia  
Official Code*

2001 Edition

2004 Winter  
Supp.West Group  
Publisher

To amend, on an emergency basis, Chapter 10 of Title 47 of the District of Columbia Official Code to provide an exemption from real property taxation for lots 826 and 831 in square 491 and a payment in lieu thereof.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Freedom Forum Newseum Real Property Tax Exemption and Equitable Real Property Tax Relief Emergency Act of 2003".

Sec. 2. Chapter 10 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding the section designation "47-1053. Payments in lieu of taxes; lots 826 and 831, square 491." at the end.

(b) A new section 47-1053 is added to read as follows:

"§ 47-1053. Payments in lieu of taxes; lots 826 and 831, square 491.

"(a) Subject to subsection (b) of this section, the real properties located in the District of Columbia described as lots 826 and 831 in square 491, together with improvements thereon, owned by The Freedom Forum, Inc., a nonprofit corporation exempt from federal income taxation, or a wholly owned entity thereof disregarded for purposes of federal income taxation ("properties"), are hereby exempt from real property taxation as of December 21, 2000. Recordation taxes assessed against The Freedom Forum, Inc., or its disregarded entity, as a result of the transfer of the properties, shall be forgiven and any amounts paid therefor shall be refunded to the payor. The Freedom Forum, Inc., and its disregarded entity, shall be exempt from transfer and recordation taxes arising from the transfer of any portion of the properties.

"(b)(1) Upon issuance of a final certificate of occupancy to The Freedom Forum, Inc., or its disregarded entity, to operate the Newseum on the properties, the properties, or portion thereof, shall be subject to a payment in lieu of taxes at the election of the District of Columbia in accordance with the provisions of that certain Land Use Restriction Agreement dated as of December 21, 2000 and recorded among the land records of the District of Columbia at the Recorder of Deeds ("Land Records") as Document Number 2000117290, as amended by that certain First Amendment to Land Use Restriction Agreement dated as of June 17, 2002 and recorded among the Land Records as Document Number 2002071121 (as amended, "Land Use

## ENROLLED ORIGINAL

Restriction Agreement"). The payment shall be treated in the same manner as a tax under § 47-1330(2) and shall be subject to collection under Chapter 13A.

"(2) Upon transfer of any portion of the properties to an unrelated person, the portion of the properties so transferred shall be subject to real property taxation in accordance with the provisions of the Land Use Restriction Agreement.

"(3) The foregoing provisions notwithstanding, if the Freedom Forum, Inc., or its disregarded entity, enters into a joint venture with a third party for purposes of residential development on the properties, or a portion thereof, the portion of the properties on which the residential development occurs shall become subject to real property taxation upon the earlier of:

"(A) The date of issuance of a final certificate of occupancy to The Freedom Forum, Inc., or its disregarded entity, to operate the Newseum on the properties; or

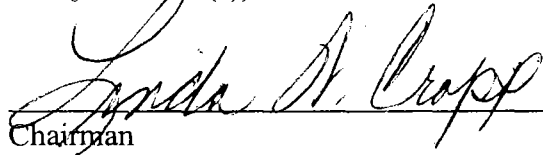
"(B) The date of issuance of the first final certificate of occupancy for the residential development."

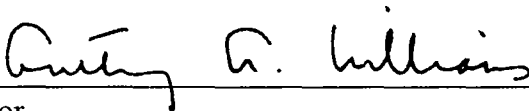
Sec. 3. Fiscal impact statement.

The Council adopts the attached fiscal impact statement as the fiscal impact statement required by § 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206(c)(3)).

Sec. 4. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.42(a)).

  
Chairman  
Council of the District of Columbia

  
Mayor  
District of Columbia  
APPROVED

October 24, 2003  
Codification District of Columbia Official Code, 2001 Edition

2

West Group Publisher, 1-800-228-2180.

Government of the District of Columbia  
Office of the Chief Financial OfficerNatwar M. Gandhi  
Chief Financial OfficerMEMORANDUM

TO: The Honorable Linda W. Cropp  
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi  
Chief Financial Officer

DATE: JUL -1 2002

SUBJECT: Fiscal Impact Statement: "Freedom Forum Newseum Payment In Lieu  
Of Taxation and Real Property Transfer Tax Exemption Amendment  
Act of 2002"

REFERENCE: Resolution as Introduced - No Number Available

**Conclusion**

Combined with the initiative to develop 555 Pennsylvania Avenue, the proposed legislation will result in new Local General Fund revenue. District revenue will increase as assessments are made on the occupied portions of the subject property and taxes are collected.

**Background**

The proposed legislation approves the negotiated tax incentives between the District of Columbia and Freedom Forum Newseum, Incorporated. The District will recognize the not-for-profit status of Freedom Forum Newseum, Incorporated and implement a payment in lieu of taxation (PILOT) for the area at 555 Pennsylvania Avenue that is used as a museum. The subject property is in Square 491, Lots 826 and 831. The mixed-use nature of the property prevents the District from granting a general exemption to the entire property.

The property is to be exempted from deed recordation and deed transfer taxes as the property is compartmentalized into residences, commercial office space and retail space. However, further transfers of ownership of the condominiumized portions will not be eligible for the deed recordation and deed transfer tax exemption. All portions of the property not used as a museum will be subject to District taxes as they become occupied.

The Honorable Linda W. Cropp  
FIS: Draft Resolution, "Freedom Forum Newseum Payment In Lieu Of  
Taxation and Real Property Transfer Tax Exemption Amendment Act of 2002"  
Page 2 of 2

#### Financial Plan Impact

Funds are sufficient in the FY 2002 budget and the FY 2003 through FY 2006 budget and financial plan because no additional staff or resources will be required. Although the Office of Tax and Revenue will experience operational pressures when administering the provisions of the proposed legislation, staff and resources will be adjusted to accommodate this and other changes to the District tax code.



## ENROLLED ORIGINAL

AN ACT  
D.C. ACT 15-203IN THE COUNCIL OF THE DISTRICT OF COLUMBIA  
OCTOBER 24, 2003*Codification  
District of  
Columbia  
Official Code*

2001 Edition

2004 Winter  
Supp.West Group  
Publisher

To amend, on an emergency basis, Chapter 10 of Title 47 of the District of Columbia Official Code to exempt from taxation certain property leased to, and occupied by, Emmaus Services for the Aging, Inc., a District of Columbia nonprofit organization, and used in its tax-exempt function.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Emmaus Rehabilitation Project Real Property Exemption Emergency Act of 2003".

Sec. 2. Chapter 10 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding a new section designation "47-1057. Emmaus Rehabilitation Project, lot 74 in square 366."

(b) A new section 47-1057 is added to read as follows:

"§ 47-1057. Emmaus Rehabilitation Project, lot 74 in square 366.

"(a) The real property, described as lot 74 in square 366 in the District of Columbia, is hereby exempt from real property and transfer and deed recordation taxation so long as, and to the extent that, the same is occupied by Emmaus Services for the Aging, Inc., an organization qualifying under section 501(c)(3) of the Internal Revenue Code of 1986, approved October 22, 1986 (100 Stat. 2085; 26 U.S.C. § 501(c)(3)), and is used to further the tax-exempt purposes of Emmaus Services for the Aging, Inc. Any real property and transfer and deed recordation taxes paid shall be refunded to the payer under the same conditions and subject to the same provisions as if the exemption were granted administratively.

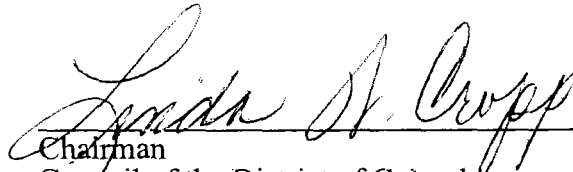
"(b) This section shall apply as of April 9, 2003."

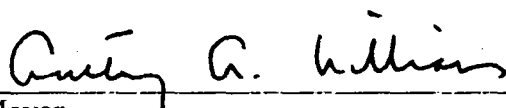
Sec. 3. Fiscal impact statement.

The Council adopts the attached fiscal impact statement as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

ENROLLED ORIGINAL

Sec. 4. This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

  
Chairman  
Council of the District of Columbia

  
Mayor  
District of Columbia  
APPROVED  
October 24, 2003

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
Office of the Chief Financial Officer

Natwar M. Gandhi  
Chief Financial Officer



**MEMORANDUM**

**TO:** The Honorable Linda W. Cropp  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer

**DATE:** July 7, 2003

**SUBJECT:** Fiscal Impact Statement: "Emmaus Rehabilitation Project Real Property Exemption Act of 2003"

**REFERENCE:** Bill 15-308 as Introduced [ Ed.s Note: Emmaus = (ee-may-us) ]

**Conclusion**

Funds are sufficient in the FY 2003 Budget and the FY 2004 through FY 2007 budget and financial plan as agreed to by the Mayor and the Council of the District of Columbia. The proposed legislation will not impact real property tax revenue.

**Background**

The proposed legislation approves the continuation of tax exempt status for real property described as Lot 74 in Square 366 located at 1426 9<sup>th</sup> Street, N.W. and owned by Emmaus Services for the Aging. The proposed legislation requires that the property remain exempt from real property tax. In addition, the proposed legislation exempts the property from deed transfer and deed recordation taxes.

Emmaus Services for the Aging is a 501(c)(3) organization<sup>1</sup> with real property tax exemptions approved<sup>2</sup> by the Office of Tax and Revenue. They were in force until April 9, 2003 when the property legally transferred to a subsidiary limited liability corporation established to improve the property under a federal historic preservation tax credit initiative participating with The

<sup>1</sup> Approved October 22, 1986.

<sup>2</sup> Effective February 1, 1999 and September 1, 2000 [James R. Vinson, Dir. RPAD to Rev. Charles Parker, E.D.; August 14, 2000] for properties now legally conjoined into the subject property.

The Honorable Linda W. Cropp

FIS: Bill 15-308, "Emmaus Rehabilitation Project RPTx Exemption Act of 2003"

Page 2 of 2

Historic Tax Credit Preservation Fund<sup>3</sup>. When the property changed hands to the Emmaus' subsidiary (the LLC) the exemptions were nullified. The proposed legislation will become effective April 9, 2003, thus continuing the real property tax exemption without interruption.

**Financial Plan Impact**

Funds are sufficient to implement the provisions of the proposed resolution. The proposed resolution will not affect local General Fund revenue.

*The Chief Financial Officer's legislative fiscal analysis is prepared by the Special Projects and Fiscal Analysis Administration in the Office of Research and Analysis. Contact us at 441 4<sup>th</sup> Street, NW, Suite 400S, Washington D.C., 20001 or view our work on-line at <http://cfo.dc.gov>.*

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<sup>3</sup> A required participating entity that is a wholly-owned subsidiary of Bank of America.

AN ACT  
D.C. ACT 15-204

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

OCTOBER 24, 2003

*Codification  
District of  
Columbia  
Official Code*

2001 Edition

2004 Winter  
Supp.

West Group  
Publisher

To amend, on an emergency basis, the Life Insurance Act to change the interest rate for calculating the minimum nonforfeiture amount for life insurance annuities from 3% to 1.5% to make the interest rate for cash surrender benefits compatible with the current low interest rate environment.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Standard Valuation and Nonforfeiture Emergency Amendment Act of 2003".

Sec. 2. Section 5c(c)(1) of Chapter V of the Life Insurance Act, effective October 13, 1978 (D.C. Law 2-120; D.C. Official Code §31-4705.03(c)(1)), is amended as follows:

Note,  
§ 31-4705.03

(a) Subparagraph (A) is amended by striking the phrase "3 per centum per annum" wherever it appears and inserting the phrase "1.5% per year" in its place.

(b) A new subparagraph (A-1) is added to read as follows:

"(A-1) Notwithstanding the interest rate of 1.5% per year used to calculate the minimum nonforfeiture amount under subparagraph (A) of this paragraph, the Mayor shall issue regulations which shall set forth the computation of the interest rate used to determine the minimum nonforfeiture amount. The regulations shall apply to any contract issued on or after the effective date of the regulations."

Sec. 3. Rulemaking.

The Commissioner shall issue rules and regulations to implement this act within 120 days of the effective date of this act.

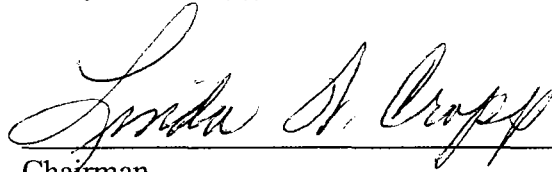
Sec. 4. Fiscal impact statement.

The Council adopts the attached fiscal impact statement as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code §1-206.02(c)(3)).

ENROLLED ORIGINAL

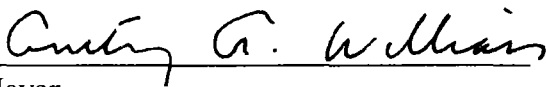
## Sec. 5. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).



Chairman

Council of the District of Columbia



Mayor

District of Columbia

APPROVED

October 24, 2003

**COUNCIL OF THE DISTRICT OF COLUMBIA**  
**OFFICE OF THE BUDGET DIRECTOR** **FISCAL IMPACT STATEMENT**

Bill Number:	Type: Emergency ( <input checked="" type="checkbox"/> )    Temporary ( <input type="checkbox"/> )    Permanent ( <input type="checkbox"/> )	Date Reported: October 7, 2003
Subject/Short Title: "Second Standard Valuation and Nonforfeiture Congressional Review Emergency Amendment Act of 2003"		

**Part I. Summary of the Fiscal Estimates of the Bill**

	YES	NO
1. It will impact spending. (If "Yes," complete Section 1 in the Fiscal Estimate Worksheet).	( )	( x )
a) It will affect local expenditures.	( )	( x )
b) It will affect federal expenditures.	( )	( x )
c) It will affect private/other expenditures.	( )	( x )
d) It will affect intra-District expenditures.	( )	( x )
2. It will impact revenue. (If "Yes," complete Section 2 in the Fiscal Estimate Worksheet).	( )	( x )
a) It will impact local revenue.	( )	( x )
b) It will impact federal revenue.	( )	( x )
c) It will impact private/other revenue. See below	( )	( x )
d) It will impact intra-District revenue.	( )	( x )
3. The bill will have NO or minimal fiscal impact. (If "Yes," explain below).	( x )	( )

**Explanation:**

The proposed legislation would provide a coverage in this law between the effective date of the permanent and the expiration date of the temporary due to congressional review. The underlying emergency is necessary to account for the changes in the Treasury bonds and to ensure that the option of investing in life insurance annuities still is made available to District of Columbia residents.

The proposed legislation does not have any fiscal impact on the District's General Fund or on the operations of the Department of Insurance and Securities Regulations. The proposed legislation will not require additional staff or resources.

**Part II. Other Impact of the Bill**

If you check "Yes" for each question, please explain on separate sheet, if necessary.

	YES	NO
1. It will affect an agency and/or agencies in the District. Department of Insurance and Securities Regulation.	( x )	( )
2. Are there performance measures/output for this bill?	( )	( x )
3. Will it have results/outcome, i.e., what would happen if this bill is not enacted? See explanation above -- Unless this bill is passed there will be a gap in the law caused by congressional review.	( x )	( )
4. Are funds appropriated for this bill in the Budget and Financial Plan for the current year?	( )	( x )

Sources of information:	Councilmember: Sharon Ambrose, Chair, Committee on Consumer and Regulatory Affairs
	Staff Person & Tel: David Grosso - 724-8072
	Council Budget Director's Signature: <i>AMB</i> 10/1/03

## ENROLLED ORIGINAL

AN ACT  
D.C. ACT 15-205

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

OCTOBER 24, 2003

Codification  
District of  
Columbia  
Official Code

2001 Edition

2004 Winter  
Supp.West Group  
Publisher

To amend, on an emergency basis, the Holding Company System Act of 1993 to change the burden of proof for an acquiring company's proposition to acquire a nonprofit domestic insurer, to extend the length of the review period of the Mayor for certain insurance mergers, and to clarify who may participate in the public hearing; to amend the Hospital and Medical Services Corporation Regulatory Act of 1996 to change the burden of proof for an acquiring company's proposition to acquire a nonprofit domestic insurer.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Department of Insurance and Securities Regulation Merger Review Emergency Amendment Act of 2003".

Sec. 2. The Holding Company System Act of 1993, effective October 21, 1993 (D.C. Law 10-44; D.C. Official Code § 31-701 *et seq.*), is amended as follows:

(a) Section 2 is amended by adding new paragraphs (3A), (4A), and (5A) to read as follows:

Note,  
§ 31-701

"(3A) "Hospital service plan" means a plan for providing hospital and related services by hospitals and others which entitles a subscriber to certain hospital and related services, or to benefits and indemnification for such services.

"(4A) "Medical service plan" means a plan for providing medical services and related services by physicians and others which entitles a subscriber to certain medical and related services, or to benefits and indemnification for such services.

"(5A) "Party" means the Mayor and any person or District government agency named or admitted as a party, or properly seeking and entitled as of right to be admitted as a party, in any proceeding before the Mayor or an agency, but nothing herein shall be construed to prevent the Mayor or an agency from admitting the Mayor or any person or agency as a party for limited purposes."

(b) Section 4(g) is amended as follows:

Note,  
§ 31-703

(1) Paragraph (1) is amended to read as follows:

"(1)(A) If the acquiring company proposes to acquire a domestic insurer which is not a nonprofit hospital service plan or medical service plan, the Mayor shall approve any



## ENROLLED ORIGINAL

merger or other acquisition of control referred to in subsections (a) and (b) of this section unless, after a public hearing, the Mayor finds that:

"(i) After the change of control, the domestic insurer referred to in subsections (a) and (b) of this section would not be able to satisfy the requirements for the issuance of a license to write the line or lines of insurance for which it is presently licensed;

"(ii) The effect of the merger or other acquisition of control would be substantially to lessen competition in insurance in the District or tend to create a monopoly. In applying the competitive standard in this subparagraph:

"(I) The informational requirements of section 5(c)(1) and the standards of section 5(d)(2) shall apply;

"(II) The merger or other acquisition shall not be disapproved if the Mayor finds that any of the situations meeting the criteria provided by section 5(d)(3) exist; and

"(III) The Mayor may condition the approval of the merger or other acquisition on the removal of the basis of disapproval within a specified period of time;

"(iii) The financial condition of any acquiring company is such as might jeopardize the financial stability of the insurer, or prejudice the interest of its policyholders;

"(iv) The plans or proposals which the acquiring company has to liquidate the insurer, sell its assets, or consolidate or merge it with any person, or to make any other material change in its business or corporate structure or management are unfair and unreasonable to policyholders of the insurer or are not in the public interest;

"(v) The competence, experience, and integrity of those persons who would control the operation of the insurer are such that it would not be in the interest of policyholders of the insurer and of the public to permit the merger or other acquisition of control; or

"(vi) The acquisition is likely to be hazardous or prejudicial to the insurance buying public.

"(B)(i) If an acquiring company proposes to acquire a domestic insurer which is a nonprofit hospital plan or medical service plan, the same procedure shall apply as provided in subparagraph (A) of this paragraph; provided, that the acquiring company shall have the burden of establishing that the proposed merger or acquisition of control does not result in the existence of any of the conditions set forth in sub-subparagraphs (i) through (vi) of subparagraph (A) of this paragraph.

"(ii) The determination made by the Mayor as provided in subparagraph (A) of this paragraph shall not become effective until 90 days after the Mayor makes the determination."

(2) Paragraph (2) is amended as follows:

(A) Strike the sentence "The public hearing referred to in paragraph (1) of

## ENROLLED ORIGINAL

this subsection shall be held within 30 days after the statement required by subsections (a) and (b) of this section is filed, and at least 20-days notice shall be given by the Mayor to the person filing the statement." and insert the sentence "The public hearing referred to in paragraph (1) of this subsection shall be held within 120 days after the statement required by subsections (a) and (b) of this section is filed, and at least 20-days notice shall be given by the Mayor to the person filing the statement; provided, that the Mayor may extend the 120-day period if all parties consent to the extension." in its place.

(B) Strike the sentence "The Mayor shall make a determination within 30 days after the conclusion of the hearing." and insert the sentence "The Mayor shall make a determination within 120 days after the conclusion of the hearing; provided, that the Mayor may extend this period if all parties consent to the extension." in its place.

(C) Strike the phrase "any person to whom notice of hearing was sent, and any other person whose interest may be affected" and insert the phrase "and any party" in its place.

Sec. 3. The Hospital and Medical Services Corporation Regulatory Act of 1996, effective April 9, 1997 (D.C. Law 11-245; D.C. Official Code § 31-3501 *et seq.*), is amended as follows:

(a) Section 16(b) is amended as follows:

Note,  
§ 31-3515

(1) Strike the phrase "company unless" and insert the phrase "company not involving a nonprofit hospital service plan or medical service plan unless" in its place.

(2) Insert a new subsection (b-1) to read as follows:

"(b-1) In a conversion of a nonprofit hospital service plan or medical service plan to a for-profit insurance company under this section, the acquiring company shall have the burden of establishing that the proposed conversion does not result in the existence of any of the conditions set forth in section (b)(1) through (4) of this subsection."

(b) Section 17(b) is amended as follows:

Note,  
§ 31-3516

(1) Strike the phrase "company unless" and insert the phrase "company not involving a nonprofit hospital service plan or medical service plan unless" in its place.

(2) Insert a new subsection (b-1) to read as follows:

"(b-1) In a conversion of a nonprofit hospital service plan or medical service plan to a mutual insurance company under this section, the acquiring company shall have the burden of establishing that the proposed conversion does not result in the existence of any of the conditions set forth in section (b)(1) through (4) of this subsection."

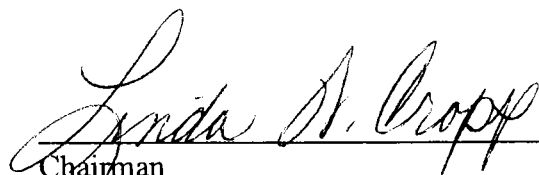
Sec. 4. Fiscal impact statement.

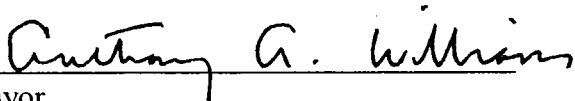
The Council adopts the attached fiscal impact statement as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

ENROLLED ORIGINAL

## Sec. 5. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, beginning January 19, 2003, as provided for emergency acts of the Council of the District of Columbia in section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

  
\_\_\_\_\_  
Chairman  
Council of the District of Columbia

  
\_\_\_\_\_  
Mayor  
District of Columbia  
APPROVED  
October 24, 2003

DISTRICT OF COLUMBIA REGISTER  
COUNCIL OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE BUDGET DIRECTOR

NOV 21 2003  
ENROLLED ORIGINAL  
FISCAL IMPACT STATEMENT

Bill Number: Type: Emergency ( x ) Temporary ( ) Permanent ( ) Date Reported: October 7, 2003

Subject/Short Title: "Second Department of Insurance and Securities Regulation Merger Review Congressional Review Emergency Amendment Act of 2003"

**Part I. Summary of the Fiscal Estimates of the Bill**

- |  | YES   | NO    |
|--|-------|-------|
| 1. It will impact spending. (If "Yes," complete Section 1 in the Fiscal Estimate Worksheet). | ( )   | ( x ) |
| a) It will affect local expenditures.  | ( )   | ( x ) |
| b) It will affect federal expenditures.  | ( )   | ( x ) |
| c) It will affect private/other expenditures.  | ( )   | ( x ) |
| d) It will affect intra-District expenditures.   | ( )   | ( x ) |
| 2. It will impact revenue. (If "Yes," complete Section 2 in the Fiscal Estimate Worksheet).  | ( )   | ( x ) |
| a) It will impact local revenue.   | ( )   | ( x ) |
| b) It will impact federal revenue.   | ( )   | ( x ) |
| c) It will impact private/other revenue. See below   | ( x ) | ( )   |
| d) It will impact intra-District revenue.  |       |       |

3. The bill will have NO or minimal fiscal impact. (If "Yes," explain below).

**Explanation:**

This emergency legislation is necessary to close the Congressional legislative gap between when the temporary expires and the permanent becomes effective to ensure that the Department of Insurance and Securities Regulation has the proper statutory mandates to ensure that the review of for-profit insurance company acquisitions of nonprofit insurance companies take place in a manner consistent with District procedures and standards.

The proposed legislation does not have any fiscal impact on the District's General Fund. The proposed legislation will not require additional staff or resources.

**Part II. Other Impact of the Bill**

If you check "Yes" for each question, please explain on separate sheet, if necessary.

- |   | YES   | NO    |
|---|-------|-------|
| 1. It will affect an agency and/or agencies in the District. Department of Insurance and Securities Regulation.   | ( x ) | ( )   |
| 2. Are there performance measures/output for this bill?   | ( )   | ( x ) |
| 3. Will it have results/outcome, i.e., what would happen if this bill is not enacted?<br>See explanation above -- Unless this bill is passed there is a possibility that merger between WellPoint and CareFirst will not be appropriately reviewed by the Commissioner of DISR in a manner that is consistent with District procedures and standards. | ( x ) | ( )   |
| 4. Are funds appropriated for this bill in the Budget and Financial Plan for the current year?  | ( )   | ( x ) |

Sources of information:

Council staff

Councilmember: Sharon Ambrose, Chair, Committee on Consumer and Regulatory Affairs

Staff Person & Tel: David Gross - 724-8072

Council Budget Director's Signature: *Ann R. Brown*

10/1/03

AN ACT

D.C. ACT 15-206

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA  
OCTOBER 24, 2003

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*Codification  
District of  
Columbia  
Official Code*

2001 Edition

2004 Winter  
Supp.

West Group  
Publisher

To prohibit, on an emergency basis, the Metropolitan Police Department's Police Service Areas restructuring plan from being implemented prior to Council review.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "PSA Restructuring Council Review Emergency Act of 2003".

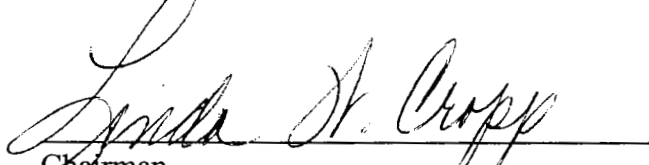
Sec. 2. When the Police Service Areas restructuring plan is completed, prior to implementation, it shall be transmitted, by the Metropolitan Police Department, to the Council for a 60-day period of review.

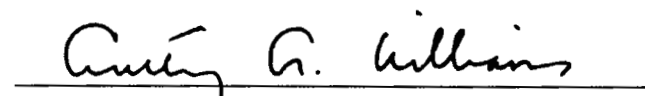
Sec. 3. The Council adopts the attached fiscal impact statement as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 4. This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia

ENROLLED ORIGINAL

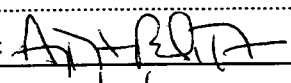
in section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

  
Chairman  
Council of the District of Columbia

  
Mayor  
District of Columbia  
APPROVED  
October 24, 2003

COUNCIL OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE BUDGET DIRECTOR

## FISCAL IMPACT STATEMENT

Bill Number:	Type: Emergency ( ) Temporary ( ) Permanent ( x )	Date Reported: October 7, 2003
Subject/Short Title: "PSA Restructuring Council Review and Approval Act of 2003"		
<b>Part I. Summary of the Fiscal Estimates of the Bill</b>		
	YES	NO
1. It will impact spending. (If "Yes," complete Section 1 in the Fiscal Estimate Worksheet).		
a) It will affect local expenditures.	( )	( x )
b) It will affect federal expenditures.	( )	( x )
c) It will affect private/other expenditures.	( )	( x )
d) It will affect intra-District expenditures.	( )	( x )
2. It will impact revenue. (If "Yes," complete Section 2 in the Fiscal Estimate Worksheet).		
a) It will impact local revenue.	( )	( x )
b) It will impact federal revenue.	( )	( x )
c) It will impact private/other revenue. See below	( )	( x )
d) It will impact intra-District revenue.	( )	( x )
3. The bill will have NO or minimal fiscal impact. (If "Yes," explain below).	( )	( x )
Explanation:		
The proposed legislation does not have any fiscal impact on the District's General Fund. The proposed legislation will not require additional staff or resources.		
<b>Part II. Other Impact of the Bill</b>		
If you check "Yes" for each question, please explain on separate sheet, if necessary.		
	YES	NO
1. It will affect an agency and/or agencies in the District. It will affect MPD.	( x )	( )
2. Are there performance measures/output for this bill?	( )	( x )
3. Will it have results/outcome, i.e., what would happen if this bill is not enacted?	( )	( x )
4. Are funds appropriated for this bill in the Budget and Financial Plan for the current year?	( )	( x )
Sources of information:	Councilmember: Sharon Ambrose, Chair, Committee on Consumer and Regulatory Affairs	
Council staff	Staff Person & Tel: David Grosso 724-8072	
	Council Budget Director's Signature: 	

10/3/03

## ENROLLED ORIGINAL

## AN ACT

D.C. ACT 15-207

## IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

OCTOBER 24, 2003*Codification  
District of  
Columbia  
Official Code*

2001 Edition

2004 Winter  
Supp.West Group  
Publisher

To amend, on an emergency basis, the District of Columbia Election Code of 1955 to waive all filing requirements for generally recognized United States presidential candidates.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Presidential Primary Petition and Filing Waiver Emergency Act of 2003".

Sec. 2. Section 5(b)(2) the District of Columbia Election Code of 1955, approved August 12, 1955 (69 Stat. 699; D.C. Official Code §1-1001.05(b)(2)), is amended to read as follows:

Note,  
§ 1-1001.05

"(2)(A) The Board shall announce the name of individuals which it has determined to be generally advocated for or recognized throughout the United States or the District of Columbia as actively seeking the nomination of the parties eligible to conduct presidential primaries in the District of Columbia pursuant to section 8(d). Criteria for determining generally recognized candidates include:

"(i) Being generally recognized as seeking and advocated for the office;

"(ii) Qualifying for federal matching funds;

"(iii) Appearing in national public opinion polls, candidates' forums, debates, or similar venues;

"(iv) Being on the ballot in other states' primaries; and

"(v) Advice and input from the District's party chairs.

"(B) On or before November 7, 2003, the Board shall publicly announce the list of candidates it intends to place on the presidential primary ballot and provide written notification to all candidates.

"(C) Following this announcement, the Board may, on or before November 14, 2003, add presidential candidates to the selection, but shall not delete any candidate unless the candidate withdraws by contacting the Board in writing or by public announcement of their intent to withdraw.



## ENROLLED ORIGINAL

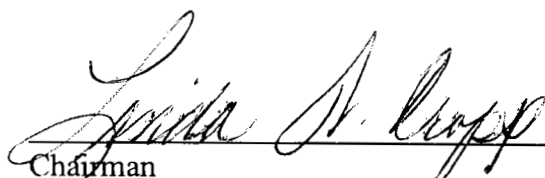
“(D) This paragraph shall not apply to any party who chooses to opt out of the January 13, 2004 primary.”.

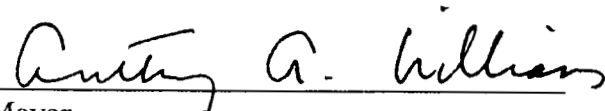
Sec. 3. Fiscal impact statement.

The Council adopts the attached fiscal impact statement as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D. C. Official Code § 1-206.02(c)(3)).

Sec. 4. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

  
Chairman  
Council of the District of Columbia

  
Mayor  
District of Columbia  
APPROVED  
October 24, 2003

## OFFICE OF THE BUDGET DIRECTOR

## FISCAL IMPACT STATEMENT

Bill Number:	Type: Emergency ( X )    Temporary ( )    Permanent ( )	Date Reported: October 7, 2003
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Subject/Short Title: "Presidential Primary Petition and Waiver Emergency Amendment Act of 2003"

**Part I. Summary of the Fiscal Estimates of the Bill**

	YES	NO
1. It will impact spending. (If "Yes," complete Section 1 in the Fiscal Estimate Worksheet).	( )	( x )
a) It will affect local expenditures.	( )	( )
b) It will affect federal expenditures.	( )	( )
c) It will affect private/other expenditures.	( )	( )
d) It will affect intra-District expenditures.	( )	( X )
2. It will impact revenue. (If "Yes," complete Section 2 in the Fiscal Estimate Worksheet).	( )	( )
a) It will impact local revenue.	( )	( )
b) It will impact federal revenue.	( )	( )
c) It will impact private/other revenue.	( )	( )
d) It will impact intra-District revenue.	( )	( X )
3. The bill will have NO or little fiscal impact on spending or revenue. (If "Yes," explain below).	( )	( X )

Explanation

**Part II. Other Impact of the Bill**

If you check "Yes" for each question, please explain on separate sheet.

	YES	NO
1. It will affect an agency and/or agencies in the District.	( )	( x )
2. Will there be performance measures/output for this amendment?	( )	( x )
3. Will it have results/outcome, i.e., what would happen if this amendment is enacted or not enacted?	( )	( x )
4. Will the Budget and Financial Plan be affected by this bill?	( )	( x )

Sources of information: Staff

Councilmember: Jack Evans

Staff Person & Tel: Schannette Grant, 724-8058

Reviewed by Budget Director:

Budget Office Tel: 202-724-8139

*Am QIA*  
10/7/03

AN ACT  
D.C. ACT 15-208*Codification  
District of  
Columbia  
Official Code*

2001 Edition

2004 Winter  
Supp.West Group  
Publisher

## IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

OCTOBER 24, 2003

To require, on an emergency basis, the IV-D agency to use a medical support notice to enforce provisions in support orders requiring health insurance coverage for children; to require a medical support notice to include specific information and conform with federal law; to require an appropriately completed medical support notice to be deemed a qualified medical child support order, and to require that a medical support notice issued in another jurisdiction be treated the same as a medical support notice issued in the District of Columbia; to require employers to follow specified procedures upon receipt of a medical support notice from the IV-D agency and to notify the IV-D agency when the parent terminates employment; to require health insurers to follow specified procedures upon receipt of a medical support notice; to require the IV-D agency to select among available health insurance coverage options available through the insurer in consultation with the child's custodian; to require employers to withhold employee contributions for health insurance coverage from the employee's earnings and send the contributions to the health insurer; to establish withholding priorities for current cash support and employee contributions for health insurance coverage; to establish the parent's liability for employee contributions for health insurance coverage, to permit the parent to contest a withholding for employee contributions based on a mistake of fact, and to require the enrollment of the child in health insurance coverage and the withholding of employee contributions to continue while the contest is pending; to establish remedies against employers for taking action against a parent based on enrollment and withholding requirements and for failing to comply with enrollment and withholding requirements; and to limit the liability of employers and health insurers that comply with the requirements for health insurance coverage enrollment and withholding; to amend the Medicaid Benefits Protection Act of 1994 to conform with the procedures established for the medical support notice and to include provisions required by federal law; to amend Title 16 of the District of Columbia Official Code to require the inclusion of a provision for health insurance coverage in a support order where health insurance coverage is available to the noncustodial parent at a reasonable cost, and to provide for the modification of support orders to include provisions for health insurance coverage;

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and to amend the District of Columbia Child Support Enforcement Amendment Act of 1985 to conform with the procedures established for the medical support notice.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Medical Support Establishment and Enforcement Emergency Amendment Act of 2003".

## TITLE I - MEDICAL SUPPORT ENFORCEMENT

## Sec. 101. Definitions.

For the purposes of this title, the term:

(1) "Custodian" means the parent, relative, guardian, or other person with whom the dependent child resides.

(2) "Health insurance coverage" means benefits consisting of amounts paid for the diagnosis, cure, mitigation, treatment, or prevention of disease, or amounts paid for the purpose of affecting any structure or function of the body (provided directly, through insurance or reimbursement, or otherwise, and includes items and services) under any hospital or medical service policy or certificate, hospital or medical service plan contract, or health maintenance organization contract offered by a health insurer.

(3) "Health insurer" means any person that provides one or more health benefit plans or insurance in the District of Columbia, including a group health plan, as defined in section 607(1) of the Employee Retirement Income Security Act of 1974, approved April 7, 1986 (100 Stat. 231; 29 U.S.C. § 1167(1)), a plan administrator, as defined in section 3(16) of the Employee Retirement Income Security Act of 1974, approved September 2, 1974 (88 Stat. 835; 29 U.S.C. § 1002(16)), an insurer, a hospital and medical service corporation, a health maintenance organization, a multiple employer welfare arrangement, or any other person providing a plan of health insurance subject to the authority of the Commissioner of the Department of Insurance and Securities Regulation.

(4) "IV-D agency" means the organizational unit of the District of Columbia government, or successor organizational unit, that is responsible for administering or supervising the administration of the District of Columbia's State Plan under Part D of Title IV of the Social Security Act, approved January 4, 1975 (88 Stat. 2351; 42 U.S.C. § 651 *et seq.*), pertaining to parent locator services, paternity establishment, and the establishment, modification, and enforcement of support orders.

(5) "Medical support notice" means a notice issued by the IV-D agency that meets the requirements of a National Medical Support Notice promulgated under section 401(b) of the Child Support Performance and Incentive Act of 1998, approved July 16, 1998 (112 Stat. 660; 42 U.S.C. § 651 note).

(6) "Support order" means a judgment, decree, or order, whether temporary or final, or subject to modification, issued by a court or an administrative agency of competent

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jurisdiction, for the support and maintenance of a child, including a child who has attained the age of majority under the law of the issuing state, or a child and the parent with whom the child is living, which provides for monetary support, health care, arrearages, or reimbursement, and which may include related costs and fees, interest and penalties, income withholding, attorneys' fees, and other relief.

Sec. 102. Use of medical support notice; IV-D agency.

(a) In cases being enforced pursuant to Part D of Title IV of the Social Security Act, approved January 4, 1975 (88 Stat. 2351; 42 U.S.C. § 651 *et seq.*), where a parent is required by a support order to provide health insurance coverage for a child, which is available through the parent's employer, the IV-D agency may apply for the enrollment of the child in the health insurance coverage by submitting a medical support notice to the employer. The IV-D agency shall, where appropriate, submit a medical support notice to the employer when the support order requires the noncustodial parent to provide health insurance coverage for the child and the employer is known to the IV-D agency, unless the support order directs enrollment of the child in alternative coverage.

(b) Where a noncustodial parent is a newly hired employee entered in the District of Columbia Directory of New Hires pursuant to section 27f of the District of Columbia Child Support Enforcement Amendment Act of 1985, effective April 3, 2001 (D.C. Law 13-269; D.C. Official Code § 46-226.06), and the support order requires the noncustodial parent to provide health insurance coverage for a child, the IV-D agency shall submit the medical support notice to the employer within 2 business days after the entry of the employee in the directory.

(c) The IV-D agency shall promptly notify an employer that has received a medical support notice when there is no longer a support order in effect for which the IV-D agency is responsible that requires a parent to provide health insurance coverage for a child.

Sec. 103. Medical support notice; contents; effect.

(a) A medical support notice shall be issued in a format consistent with federal requirements and shall contain all information required by federal law. A medical support notice shall:

(1) Conform with the requirements applicable to medical child support orders under section 609(a) of the Employee Retirement Income Security Act of 1974, approved August 10, 1993 (107 Stat. 371; 29 U.S.C. § 1169(a)), in connection with group health plans;

(2) Conform with the requirements of section 466(a)(19) of the Social Security Act, approved August 16, 1984 (98 Stat. 1306; 42 U.S.C. § 666(a)(19));

(3) Include a separate and easily severable employer withholding notice that informs the employer of :

(A) The employer's obligations under section 107 to withhold employee contributions due in connection with health insurance coverage a parent is required to provide

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for a child pursuant to a support order;

(B) The duration of the withholding requirement as stated in section 3(3) of the Medicaid Benefits Protection Act of 1994, effective March 14, 1995 (D.C. Law 10-202; D.C. Official Code § 1-307.42(3));

(C) The applicability of the limits on withholding imposed under section 303(b) of the Consumer Credit Protection Act, approved May 29, 1968 (82 Stat. 163; 15 U.S.C. § 1673(b));

(D) The applicability of any prioritization required under section 108 when the employee's earnings are insufficient to satisfy fully through withholding the employee's obligations to provide cash support and contributions for health insurance coverage for the child;

(E) The name and telephone number of the appropriate person to contact at the IV-D agency about the medical support notice;

(F) The employee's right to contest the withholding based on mistake of fact pursuant to section 109, and the employer's obligation to initiate and continue the withholding until the employer receives notice that the contest is resolved; and

(G) The applicability of sanctions against the employer under section 110 for discharging, refusing to employ, or taking disciplinary action against a parent because of the requirement to withhold employee contributions for health insurance coverage, or for failing to withhold or remit earnings.

(b) An appropriately completed medical support notice that meets the requirements of section 401(b) of the Child Support Performance and Incentive Act of 1998, approved July 16, 1998 (112 Stat. 660; 42 U.S.C. § 651 note), shall be deemed to be a qualified medical child support order under section 609(a)(2) of the Employee Retirement Income Security Act of 1974, approved August 10, 1993 (107 Stat. 371; 29 U.S.C. § 1169(a)(2)).

(c) A medical support notice issued in another jurisdiction shall be treated under this title in the same manner as a medical support notice issued in the District of Columbia.

Sec. 104. Duties of the employer.

(a) Upon receipt of a medical support notice, an employer shall, within 20 business days after the date of the medical support notice:

(1) Determine whether health insurance coverage is available to the child included in the medical support notice based on the parent's employment status;

(2) Complete and return to the IV-D agency the applicable portion of the medical support notice if health insurance coverage is unavailable to the child based on the parent's employment status; and

(3) Send the medical support notice, excluding the severable employer withholding notice, to each health insurer that provides health insurance coverage for which the child may be eligible, if health insurance coverage is available to the child based on the parent's

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employment status.

(b) If the employer determines that the child cannot be enrolled in health insurance coverage because the employee contributions exceed the amount that may be withheld from the parent's earnings due to federal or District of Columbia withholding limitations or prioritizations, the employer shall promptly complete and send to the IV-D agency the applicable portion of the medical support notice.

(c) If the employer receives notice from a health insurer that the parent is subject to a waiting period that expires more than 90 days from the health insurer's receipt of the medical support notice, or that has a duration determined by a measure other than the passage of time, the employer shall inform the health insurer, when the parent is eligible to enroll in health insurance coverage, that the parent is eligible and that the medical support notice requires the enrollment of the child.

(d) Within 10 days after an employer receives notice that a parent subject to a medical support notice will terminate employment, or within 10 days after the termination, whichever occurs earlier, the employer shall notify the IV-D agency of the termination and provide the IV-D agency with the parent's last known address and the name and address of the parent's new employer, if known.

Sec. 105. Duties of the health insurer.

(a) Upon receipt of a medical support notice from an employer, a health insurer shall, within 40 days after the date of the notice:

(1) Determine whether the medical support notice contains:

(A) The employee's name and mailing address; and

(B) The name of the child to be enrolled in health insurance coverage and the mailing address of the child or a substituted official; and

(2) Complete and send to the IV-D agency and the employer the applicable portion of the medical support notice if the medical support notice does not contain the information described in paragraph (1) of this subsection; or

(3) Comply with the following requirements, subject to subsections (c), (d), and (e) of this section, if the medical support notice contains the information described in paragraph (1) of this subsection:

(A) Determine the child's eligibility for enrollment in health insurance coverage;

(B) Enroll the child in health insurance coverage if the child is eligible for enrollment and not already enrolled, without regard to enrollment season restrictions;

(C) Complete and send to the IV-D agency and the employer the applicable portion of the medical support notice;

(D) Send the parent, the child's custodian, and the child a written notification that health insurance coverage is or will become available to the child; and

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(E) Send the child's custodian a written description of the available health insurance coverage, the effective date of the health insurance coverage, summary plan descriptions, and, if not already provided, forms, documents, or other information necessary to obtain health insurance coverage for the child and to submit claims for benefits.

(b) Notification to the child's custodian of the availability of health insurance coverage pursuant to subsection (a)(3)(D) of this section shall be deemed to be notification to the child if the child resides at the same address.

(c) If enrollment of a child in health insurance coverage is subject to a waiting period that has not been completed, within 40 business days after the date of the medical support notice, the health insurer shall complete and send to the employer, the IV-D agency, and both parents the applicable portion of the medical support notice. Within 20 business days after the employee's completion of the waiting period, the health insurer shall comply with the requirements of subsection (a)(3) of this section.

(d) If a child is eligible for enrollment in more than one health insurance coverage option available through the employer, the health insurer shall, within 40 business days after the date of the medical support notice:

(1) Complete and send to the IV-D agency and the employer the applicable portion of the medical support notice; and

(2) Send the IV-D agency copies of applicable summary plan descriptions or other documents that describe the available coverage, including any additional employee contributions necessary to obtain coverage for the child under each option, and any applicable service area limitations for each option.

(e) Within 20 business days after the health insurer sends to the IV-D agency the information stated in subsection (d) of this section, the health insurer shall:

(1) Enroll the child in the health insurance coverage option selected by the IV-D agency, and comply with the other requirements of subsection (a)(3) of this section, if the IV-D agency has notified the health insurer of its selection; or

(2) Enroll the child in any default option for which the child is eligible, and comply with the other requirements of subsection (a)(3) of this section, if the IV-D agency has not notified the health insurer of its selection of a different option.

Sec. 106. Selection of a health insurance coverage option.

(a) Upon receipt of notice from a health insurer that more than one health insurance coverage option is available for a child included in a medical support notice, the IV-D agency shall select an available option in consultation with the child's custodian.

(b) Unless the IV-D agency selects a default health insurance coverage option for which the child is eligible, the IV-D agency shall notify the health insurer of its selection promptly after the health insurer provides the IV-D agency with the information required under section 105(d).



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## Sec. 107. Withholding for health insurance coverage.

(a) When an employer receives notice from a health insurer that a child has been enrolled in health insurance coverage pursuant to a medical support notice or a support order requiring a parent to provide health insurance coverage, the employer shall:

(1) Withhold from the employee's earnings the employee contributions required to effectuate health insurance coverage for the child in each plan in which the child is enrolled;

(2) Send the amount withheld to the applicable health insurer within 7 business days after the date the amount would have been next paid or credited to the employee;

(3) Continue to withhold premiums for health insurance coverage from the employee's earnings on a regular and consistent basis and pay the premiums to the health insurer; and

(4) Send each additional payment to the health insurer on the same date that the employee is compensated.

(b) Withholding for health insurance coverage shall not exceed the limitations set forth in section 303(b) of the Consumer Credit Protection Act, approved May 29, 1968 (82 Stat. 163; 15 U.S.C. § 1673(b)).

(c) Nothing in this title shall alter the obligation of an obligor, obligee, employer, or other person or entity to comply with the provisions for the withholding of earnings or other income stated in the District of Columbia Child Support Enforcement Amendment Act of 1985, effective February 24, 1987 (D.C. Law 6-166; D.C. Official Code § 46-201 *et seq.*).

## Sec. 108. Priority of withholding for employee contributions to health insurance coverage.

(a) If withholding of both the full amount of current cash support and the full amount of an employee's contributions for health insurance coverage for a child included in a medical support notice or a support order requiring a parent to provide health insurance coverage exceeds the limits of section 303(b) of the Consumer Credit Protection Act, approved May 29, 1968 (82 Stat. 163; 15 U.S.C. § 1673(b)), then current cash support shall receive priority and shall be withheld in full prior to any withholding being made for employee contributions for health insurance coverage.

(b) If the full amount of current cash support and the full amount of employee contributions for health insurance coverage can be withheld within the limits of section 303(b) of the Consumer Credit Protection Act, approved May 29, 1968 (82 Stat. 163; 15 U.S.C. § 1673(b)), the employer shall withhold earnings for additional cash amounts that are subject to withholding after the employee's obligations for current cash support and contributions for health insurance coverage are satisfied.

(c) If an employer is required to withhold earnings or employee contributions for health insurance coverage pursuant to more than one support order, the employer shall prorate among the support orders subject to withholding the amount of the employee's earnings that are

## ENROLLED ORIGINAL

available for withholding within the limits of section 303(b) of the Consumer Credit Protection Act, approved May 29, 1968 (82 Stat. 163; 15 U.S.C. § 1673(b)), and determine whether the available earnings are sufficient to satisfy current cash support due under all applicable support orders. The employer shall not withhold contributions for health insurance coverage required under any support order until all the employee's current cash support obligations are satisfied. The employer shall prorate among the support orders subject to withholding the employee's remaining earnings that are available for withholding under section 303(b) of the Consumer Credit Protection Act, approved May 29, 1968 (82 Stat. 163; 15 U.S.C. § 1673(b)), to determine whether the earnings prorated to each support order are sufficient to allow the enrollment in health insurance coverage of the child subject to the applicable support order.

(d) An employer shall apply the law of the employee's principal place of employment in determining the limitations and priorities applicable to the withholding of employee contributions for health insurance coverage.

Sec. 109. Liability for contributions to health insurance coverage; objections to withholding.

(a) An employee is liable for employee contributions required to enroll a child in health insurance coverage pursuant to a medical support notice or a support order, except that an employee may contest a withholding for employee contributions for health insurance coverage based on a mistake of fact.

(b) An employee may contest a withholding for employee contributions for health insurance coverage by filing a motion to quash the withholding with the Superior Court of the District of Columbia, with service upon the IV-D agency, if the withholding was commenced pursuant to a medical support notice. The employee shall file the motion within 15 days after the date the first employee contributions for health insurance coverage are withheld from the employee's earnings.

(c) The only grounds for contesting a withholding based on a mistake of fact under this section are:

- (1) The identity of the employee;
- (2) The amount of the employee contributions necessary to enroll the child in the health insurance coverage;
- (3) The existence of an underlying support order requiring the employee to provide health insurance coverage for the child; and
- (4) Whether the amount withheld for health insurance coverage exceeds the limits of section 303(b) of the Consumer Credit Protection Act, approved May 29, 1968 (82 Stat. 163; 15 U.S.C. § 1673(b)).

(d) Enrollment of a child in health insurance coverage and withholding of the employee's contributions for health insurance coverage shall not be stayed or terminated until the employer receives written notice that the contest has been resolved in the employee's favor.

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(e) Nothing in this section shall be construed to limit an employee's right to contest an underlying support order requiring the employee to provide health insurance coverage for a child.

Sec. 110. Sanctions; limitations on liability.

(a) An employer shall not discharge, refuse to employ, or take disciplinary action against a parent or employee based on the parent or employee's obligation to provide health insurance coverage for a child under a medical support notice or a support order.

(b) There shall be a rebuttable presumption that an employer who engages in conduct described in subsection (a) of this section within 90 days from the date of receipt of the medical support notice or the support order is in violation of this section and may be subject to the sanctions in subsection (c) of this section.

(c) Any employer who engages in conduct described in subsection (a) of this section shall be subject to a civil penalty of up to \$10,000. An employee, a parent, or the IV-D agency may bring a civil action against an employer who violates subsection (a) of this section. A civil penalty obtained under this section shall be used to offset the employee's duty of support.

(d) If an employer fails to withhold an employee contribution for health insurance coverage or fails to send a withheld contribution to the health insurer as required by section 108, a judgment shall be entered against the employer for the amount not withheld or paid to the health insurer, and for any reasonable counsel fees and court costs incurred by the employee, a parent, the health insurer, or the IV-D agency as a result of the failure to withhold or make payment.

(e) An employer shall be liable for unreimbursed health care expenses incurred by or on behalf of a child as a result of the employer's failure to comply with the requirements of this title or section 3 of the Medicaid Benefits Protection Act of 1994, effective March 14, 1995 (D.C. Law 10-202; D.C. Official Code § 1-307.42).

(f) A health insurer shall be liable for unreimbursed health care expenses incurred by or on behalf of a child as a result of the health insurer's failure to comply with the requirements of this title or section 2 of the Medicaid Benefits Protection Act of 1994, effective March 14, 1995 (D.C. Law 10-202; D.C. Official Code § 1-307.41).

(g) Neither an employer nor a health insurer shall be subject to liability under subsections (d), (e), or (f) of this section if the employer or health insurer proves by a preponderance of the evidence that the failure to comply was due to exigent circumstances beyond the control of the employer or health insurer.

(h) Neither an employer nor a health insurer who complies, in accordance with the requirements of this title, with a medical support notice or a support order that is regular on its face shall be subject to civil liability to an individual or entity for conduct in compliance with the medical support notice or support order.

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## TITLE II -- CONFORMING AMENDMENTS

Sec. 201. The Medicaid Benefits Protection Act of 1994, effective March 14, 1995 (D.C. Law 10-202; D.C. Official Code § 1-307.41 *et seq.*), is amended as follows:

(a) Section 2 (D.C. Official Code § 1-307.41) is amended as follows:

Note,  
§ 1-307.41

(1) Subsection (c)(1) is amended to read as follows:

“(1) Provide such information to the custodial parent as may be necessary to obtain benefits through such coverage, including the information required under section 105(a) of the Medical Support Establishment and Enforcement Emergency Amendment Act of 2003.”.

(2) Subsection (d) is amended as follows:

(A) Paragraph (2) is amended by striking the word “and” at the end.

(B) A new paragraph (2A) is added to read as follows:

“(2A) Enroll the child under family coverage upon application by the child’s other parent, or by the District of Columbia agency administering either the Medicaid program or the child support enforcement program pursuant to Part D of Title IV of the Social Security Act, approved January 4, 1975 (88 Stat. 2351; 42 U.S.C. § 651 *et seq.*), if the employed parent is not enrolled and the health insurance plan requires the employed parent’s enrollment for the child to be eligible; and”.

(b) Section 3 (D.C. Official Code § 1-307.42) is amended as follows:

Note,  
§ 1-307.42

(1) A new paragraph (2A) is added to read as follows:

“(2A) Enroll the child under family coverage upon application by the child’s other parent, or by the District of Columbia agency administering either the Medicaid program or the child support enforcement program pursuant to Part D of Title IV of the Social Security Act, approved January 4, 1975 (88 Stat. 2351; 42 U.S.C. § 651 *et seq.*), if the employed parent is not enrolled and the health insurance plan requires the employed parent’s enrollment for the child to be eligible;”.

(2) Paragraph (3) is amended as follows:

(A) Subparagraph (B) is amended by striking the word “or” at the end.

(B) Subparagraph (C) is amended by adding the word “or” at the end.

(C) A new subparagraph (D) is added to read as follows:

“(D) The employer no longer employs the parent and the parent has not elected to continue coverage through a plan offered by the employer for post-employment health insurance coverage for dependents;”.

(3) Paragraph (4) is amended as follows:

(A) Strike the word “Withhold” and insert the phrase “Subject to sections 107 and 108 of the Medical Support Establishment and Enforcement Emergency Amendment Act of 2003, withhold” in its place.

(B) Strike the word “and” at the end.

(4) Paragraph (5) is amended to read as follows:

“(5) Upon receipt of a court or administrative order that has directed the parent

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to provide health insurance coverage for the child, notify the insurer of the order for health insurance coverage and inform the insurer that the order operates to enroll the child in the coverage; and"

(5) A new paragraph (6) is added to read as follows:

"(6) Upon receipt of a medical support notice issued by the IV-D agency under section 102 of the Medical Support Establishment and Enforcement Emergency Amendment Act of 2003, comply with the provisions of sections 104, 107 and 108 of that act."

Sec. 202. Title 16 of the District of Columbia Official Code is amended as follows:

(a) Section 16-901 is amended to add a new paragraph (4) to read as follows:

Note,  
§ 16-901

"(4) 'Support order' means a judgment, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of competent jurisdiction, for the support and maintenance of a child, including a child who has attained the age of majority under the law of the issuing state, or a child and the parent with whom the child is living, which provides for monetary support, health care, arrearages, or reimbursement and which may include related costs and fees, interest and penalties, income withholding, attorneys' fees, and other relief."

(b) Section 16-916 is amended as follows:

Note,  
§ 16-916

(1) Subsection (a) is amended by striking the phrase "that either or both parents shall pay for the unreimbursed medical expenses of the child, and that a parent shall obtain medical insurance for the child whenever that insurance is available at a reasonable cost,".

(2) Subsection (c) is amended by striking the phrase "that either or both parents shall pay for the unreimbursed medical expenses of the child, that the parent obtain medical insurance for the child whenever that insurance is available at a reasonable cost,".

(3) New subsections (c-1), (c-2), and (c-3) are added to read as follows:

"(c-1) A support order entered under this section shall contain terms providing for the payment of medical expenses for each child included in the support order, whether or not health insurance coverage is available to pay for those expenses. The court may order either or both parents to provide health insurance coverage for the child, or to pay the unreimbursed medical expenses of the child.

"(c-2) Each new or modified support order entered pursuant to Part D of Title IV of the Social Security Act, approved January 4, 1975 (88 Stat. 2351; § 42 U.S.C. 651 *et seq.*), shall contain a provision for health insurance coverage for each child included in the support order whenever health insurance coverage is available to the noncustodial parent at a reasonable cost. If health insurance coverage is not available to the noncustodial parent at a reasonable cost when the support order is entered, the court may order the noncustodial parent to obtain the health insurance coverage when it becomes available.

"(c-3) For the purposes of this section, health insurance coverage shall be considered reasonable in cost if it is employer-related or other group health insurance coverage, regardless

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of the service delivery mechanism.”.

(c) Section 16-916.01 is amended as follows:

Note,  
§ 16-916.01

(1) Subsection (h)(3) is amended to read as follows:

“(3) If a noncustodial parent does not have medical insurance coverage, and can obtain medical insurance coverage at a reasonable cost, the court shall order the noncustodial parent to obtain medical insurance coverage for the child in accordance with § 16-916 and federal law. The amount of the offset shall equal the difference between the premium for single coverage and the premium for family coverage. No offset shall be calculated by using the cost for the coverage for the noncustodial parent.”.

(2) A new subsection (h-1) is added to read as follow:

“(h-1) For the purposes of this section, medical insurance coverage shall be considered reasonable in cost if it is employer-related or other group medical insurance coverage, regardless of the service delivery mechanism.”.

(3) Subsection (o) is amended by adding a new paragraph (2A) to read as follows:

“(2A) The court may modify a support order to require a parent to provide medical insurance coverage for a child at the request of a party, if the support order does not contain a provision for medical insurance coverage. The court shall modify a support order to include a provision for medical insurance coverage at the request of the IV-D agency, if the support order is being enforced pursuant to Part D of Title IV of the Social Security Act, approved January 4, 1975 (88 Stat. 2351; 42 U.S.C. § 651 *et seq.*), and medical insurance coverage is available to the noncustodial parent at a reasonable cost.”.

Sec. 203. The District of Columbia Child Support Enforcement Amendment Act of 1985, effective February 24, 1987 (D.C. Law 6-166; D.C. Official Code § 46-201 *et seq.*), is amended as follows:

(a) Section 5(a) (D.C. Official Code § 46-204(a)) is amended by striking the phrase “reviewed pursuant to § 16-916.1(o)(2).” in the last sentence and inserting the phrase “reviewed or modified pursuant to D.C. Official Code § 16-916.01(o)(2) or (o)(2A).” in its place.

Note,  
§ 46-204

(b) Section 6(5) (D.C. Official Code § 46-205(5)) is amended to read as follows:

“(5) Notice that if the obligor is required under the support order to provide health insurance coverage for a child, the obligor’s employer will, upon receipt of notice of the health insurance coverage provision, enroll the child in health insurance coverage in accordance with sections 2 and 3 of the Medicaid Benefits Protection Act of 1994, effective March 14, 1995 (D.C. Law 10-202; D.C. Official Code §§ 1-307.41 and 1-307.42), and Title I of the Medical Support Establishment and Enforcement Emergency Amendment Act of 2003.”.

Note,  
§ 46-205

(c) Section 8(b)(6) (D.C. Official Code § 46-207(b)(6)) is amended to read as follows:

“(6) Notice that if the obligor is required under the support order to provide health insurance coverage for a child, the obligor’s employer will, upon receipt of notice of the

Note,  
§ 46-207

## ENROLLED ORIGINAL

health insurance coverage provision, enroll the child in health insurance coverage in accordance with sections 2 and 3 of the Medicaid Benefits Protection Act of 1994, effective March 14, 1995 (D.C. Law 10-202; D.C. Official Code §§ 1-307.41 and 1-307.42), and Title I of the Medical Support Establishment and Enforcement Emergency Amendment Act of 2003;”.


## TITLE III - FISCAL IMPACT STATEMENT; EFFECTIVE DATE

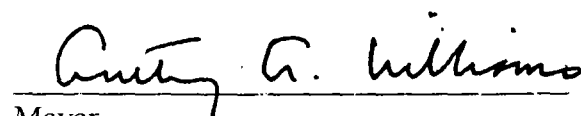
## Sec. 301. Fiscal impact statement.

The Council adopts the attached fiscal impact statement as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

## Sec. 302. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

  
Chairman  
Council of the District of Columbia

  
Mayor  
District of Columbia  
APPROVED  
October 24, 2003

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
Office of the Chief Financial Officer

Natwar M. Gandhi  
Chief Financial Officer



**MEMORANDUM**

**TO:** The Honorable Linda W. Cropp  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer

**DATE:** September 13, 2002

**SUBJECT:** Fiscal Impact Statement: "Medical Support Enforcement Act of 2002"

**REFERENCE:** Draft Legislation – Bill Number Not Available

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**Conclusion**

The proposed legislation would result in approximately \$214,000 in unbugeted expenditures in the Office of Corporation Counsel budget in FY 2003 through FY 2006. However, the proposed legislation also would result in savings of up to an estimated \$2.6 million in local fund Medicaid expenditures, for a net savings of approximately \$2.4 million per year.

Anti-deficiency laws, 31-USCA § 1341 (2000), prohibit District officers and employees from exceeding agency appropriations in any fiscal year. Should the Office of Corporation Counsel (OCC) determine that funding is available to absorb the additional costs in FY 2003, then the net impact would be zero for that year. For subsequent years, the additional expenditure would need to be included as budgeted expenditures.

**Background**

The proposed legislation would implement in the District the medical support provisions of the federal Child Support Performance and Incentive Act of 1998. The proposed legislation provides for more effective enforcement of medical child support through numerous new requirements, processes and sanctions. All state and local jurisdictions are required to adopt these provisions and the deadline for enactment for the District is January 1, 2003.



The Honorable Linda W. Cropp  
 FIS: Draft Legislation, "Medical Support Enforcement Act of 2002"  
 Page 2 of 3

The OCC's Child Support Enforcement Division had over 100,000 open cases at the end of FY 2001 involving 112,759 children. Currently, approximately 32,000 of these children have support orders, most with medical insurance provisions applicable to one parent. The medical support notice is issued when the non-custodial parent has been ordered to provide insurance and the parent's employer is known to OCC. It is estimated that 10,000 children would be helped by the proposed legislation with potential for significant increases in future years as the changes are established.

### Financial Plan Impact

The proposed legislation would result in an unbudgeted expenditure of approximately \$23,000 in FY 2003 and a total of over \$214,000 over the FY 2003 through FY 2006 period. OCC would require additional, unbudgeted personal services and non-personal service costs to implement the proposed legislation. However, the proposed legislation also could result in savings of over an estimated \$2.6 million per year in local fund Medicaid expenditures, for a net savings of \$2.4 million annually.

The proposed legislation would require OCC to hire program staff to implement the requirements of the bill with increasing cases over time. The personal service (PS) costs are detailed in the table below and assume fringe benefits equal to 14.3 percent of base salary and 3 percent increase for inflation in each year beginning in FY 2004.

Estimated Personal Service (PS) Costs					
Item	FY 2003	FY 2004	FY 2005	FY 2006	Totals
Program Staff DS-9 (additional)	1	1	2	0	4
Total Costs (federal and local)	\$44,870	\$91,086	\$184,905	\$190,452	\$511,313
Local Share (34%)	\$15,256	\$30,969	\$62,868	\$64,754	\$173,846

The proposed legislation would also require OCC to incur non-personal service (NPS) costs. These costs include postage and paper to mail notifications, employer outreach, and software changes. The postage and paper costs reflect expected annual increases in the number of notices sent. All the NPS costs are detailed in the table below.

Estimated Non-Personal Service (NPS) Costs					
Item	FY 2003	FY 2004	FY 2005	FY 2006	4-Year Total
Postage and Paper	\$7,100	\$12,780	\$15,620	\$18,744	\$54,244
Employer Outreach	\$10,000	\$10,000	\$10,000	\$10,000	\$40,000
Computer/Technology	6,250	6,250	6,250	6,250	\$25,000
Total Costs (federal and local)	23,350	29,030	31,870	34,994	\$119,244
Local Share (34%)	\$7,939	\$9,870	\$10,836	\$11,898	\$40,543

The Honorable Linda W. Cropp  
FIS: Draft Legislation, "Medical Support Enforcement Act of 2002"  
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The proposed legislation would result in unbudgeted expenditures of approximately \$23,000 in FY 2003, and a total of over \$214,000 in the OCC budget over the FY 2003 through FY 2006 period as illustrated in the table below. However, the proposed legislation also could reduce local fund expenditures over an estimated \$2.6 million per year in local fund Medicaid expenditures, for a net savings of approximately \$2.4 million as discussed below.

Total Estimated Costs (PS and NPS)					
Item	FY 2003	FY 2004	FY 2005	FY 2006	4-Year Total
NPS	\$7,939	\$9,870	\$10,836	\$11,898	\$40,543
PS	\$15,256	\$30,969	\$62,868	\$64,754	\$173,846
<b>Total Local</b>	<b>\$23,195</b>	<b>\$40,839</b>	<b>\$73,703</b>	<b>\$76,652</b>	<b>\$214,389</b>

The proposed legislation could also result in significant cost savings in local Medicaid expenditures to the extent that the implemented provisions result in children with medical support orders being insured through an insured parent rather than Medicaid. The Office of Corporation Counsel estimates that 40 percent of the 10,000 children expected to be helped by the medical support enforcement and notice provisions in FY 2003 are currently insured through Medicaid. These 4,000 children would become insured by the parent required to provide medical support and would no longer claim Medicaid benefits. It is estimated that insuring one child under Medicaid costs an average of \$666 for the 30 percent local Medicaid match. This would result in savings of over a potential estimated \$2.6 million annually, for a net potential savings to the District of \$2.4 million.

## ENROLLED ORIGINAL

AN ACT  
D.C. ACT 15-209IN THE COUNCIL OF THE DISTRICT OF COLUMBIA  
OCTOBER 25, 2003*Codification  
District of  
Columbia  
Official Code*

2001 Edition

2004 Winter  
Supp.West Group  
Publisher

To amend, on a temporary basis, the District of Columbia Procurement Practices Act of 1985 to modify the procedures for debarring or suspending a person or business from consideration for an award of District contracts or subcontracts by establishing a Debarment and Suspension panel to consider the best interest of the District in the consideration of each debarment or suspension action, and to authorize persons or businesses currently debarred or suspended to do business with the District until a debarment or suspension decision has been issued consistent with the procedures established by this act.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Debarment Procedures Temporary Amendment Act of 2003".

Sec. 2. Section 804 of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85; D.C. Official Code § 2-308.04), is amended as follows:

Note,  
§ 2-308.04

(a) Subsections (a), (b), (c), (d), and (e) are amended by striking the phrase "CPO" wherever it appears and inserting the phrase "Debarment and Suspension Panel" in its place.

(b) Subsection (a) is amended as follows:

(1) Paragraph (1)(A) is amended by adding the phrase "or the present responsibility of the person or business is such that a debarment would not be warranted" before the final semicolon.

(2) Paragraph (3)(B) is amended by adding the phrase "unless the present responsibility of the person or business is such that a debarment would not be warranted" before the final period.

(c) Subsection (c) is amended as follows:

(1) Paragraph (1) is amended as follows:

(A) Add the phrase "the relevant facts and" after the word "State".

(B) Strike the word "and" after the semicolon.

(2) Add new paragraphs (1A) and (1B) to read as follows:

## ENROLLED ORIGINAL

“(1A) Describe the present responsibility of the contractor;

“(1B) Describe whether the debarment is in the best interests of the District; and”.

(d) Subsection (g) is amended by striking the phrase “enable the CPO” and inserting the phrase “enable the Debarment and Suspension Panel” in its place.

(e) Add new subsections (h), (i), and (j) to read as follows:

“(h) For the purposes of this section, the phrase “Debarment and Suspension Panel” means a panel consisting of the Chief Procurement Officer and a representative from the Office of the Chief Financial Officer, the Office of the Deputy Mayor for Planning and Economic Development, the Deputy Mayor for Operations, the Director of the Office of Labor Relations and Collective Bargaining, and from each agency which, in the judgment of the Mayor, would be directly and significantly affected by the proposed debarment. The Mayor shall designate the members of the panel and the panel chair. Legal advice to the panel in its deliberations on debarment decisions shall be provided by the Office of the Corporation Counsel.

“(i) Each debarment or suspension initiated between April 1, 2003 and the effective date of the Debarment Procedures Emergency Amendment Act of 2003, passed on an emergency basis on September 16, 2003 (Enrolled version of Bill 15-420), shall be suspended immediately upon the effective date of the Debarment Procedures Emergency Amendment Act of 2003, except to the extent the debarment or suspension applies to a business division whose predominant work is the production and placement of street asphalt. Each person or business currently debarred or suspended shall be permitted to resume doing business with the District pending the re-hearing of the case of the person or business pursuant to this section. Within 60 days after the effective date of the Debarment Procedures Act of 2003, the Mayor shall convene a Debarment and Suspension Panel to re-hear the evidence in each debarment or suspension, including debarments or suspensions applying to a business division whose predominant work is the production and placement of street asphalt, and the re-hearing shall be held consistent with the procedures and requirements of the Debarment Procedures Emergency Amendment Act of 2003.

“(j) A Debarment and Suspension Panel convened under this section shall render a final decision in the debarment or suspension proceeding within 120 days after the effective date of the Debarment Procedures Emergency Amendment Act of 2003.”.

Sec. 3. Fiscal impact statement.

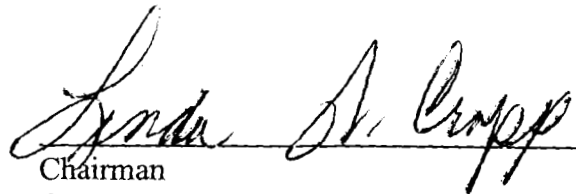
The Council adopts the attached fiscal impact statement as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

## ENROLLED ORIGINAL

## Sec. 4. Effective date.

(a) This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

(b) This act shall expire after 225 days of its having taken effect.

  
Chairman  
Council of the District of Columbia

\_\_\_\_\_  
UNSIGNED

Mayor  
District of Columbia

COUNCIL OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE BUDGET DIRECTOR

## FISCAL IMPACT STATEMENT

Bill Number:	Type: Emergency ( X )    Temporary (   )    Permanent (   )	Date Reported: September 2003
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Subject/Short Title: Debarment Procedures Amendment Act of 2003

## Part I. Summary of the Fiscal Estimates of the Bill

	YES	NO
1. It will impact spending. (If "Yes," complete Section 1 in the Fiscal Estimate Worksheet).	(   )	( X )
a) It will affect local expenditures.	(   )	(   )
b) It will affect federal expenditures.	(   )	(   )
c) It will affect private/other expenditures.	(   )	(   )
d) It will affect intra-District expenditures.	(   )	(   )
2. It will impact revenue. (If "Yes," complete Section 2 in the Fiscal Estimate Worksheet).	(   )	( X )
a) It will impact local revenue.	(   )	(   )
b) It will impact federal revenue.	(   )	(   )
c) It will impact private/other revenue.	(   )	(   )
d) It will impact intra-District revenue.	(   )	(   )
3. The bill will have NO or minimal fiscal impact. (If "Yes," explain below).	( X )	(   )
This bill will modify the procedures for determining whether a person or business should be debarred or suspended. Implementing the legislation requires no new expenditures or staffing.		

## Part II. Other Impact of the Bill

If you check "Yes" for each question, please explain on separate sheet, if necessary.

	YES	NO
1. It will affect an agency and/or agencies in the District.	( X )	(   )
This bill will include 2 deputy mayors and the directors of affected agencies in debarment and suspension proceedings.	(   )	(   )
2. Are there performance measures/output for this bill?	(   )	( X )
3. Will it have results/outcome, i.e., what would happen if this bill is not enacted?	( X )	(   )
If not approved, the District's debarment and suspension proceedings may not accurately determine the best interests of the District.	(   )	(   )
4. Are funds appropriated for this bill in the Budget and Financial Plan for the current year?	( X )	(   )
Funds are sufficient in the budget and financial plan to implement the legislation.	(   )	(   )

Sources of information:

Councilmember: Harold Brazil

Staff Person &amp; Tel: Barry Kreiswirth 724-8792

Council Budget Director's Signature:

